Austria	Sch 15	Indonesia	Rp 1500	Philippines	Pes 20
Bahrain	Din 0.650	Italy	L 1100	Portugal	Esc 65
Belgium	BFr 35	Japan	Y500	S Arabia	Rls 6.00
Canada	C$1.50	Jordan	Fils 500	Singapore	S$4.10
Denmark	DKr 7.00	Kuwait	Fils 500	Spain	Pta 85
Egypt	EE1.00	Lebanon	LL 6.00	Sweden	SKr 6.00
Finland	FmK 5.00	Luxembourg	LFr 35	Switzerland	SwFr 2.0
France	Fr 5.00	Malaysia	Ringgit 4.25	Tunisia	Din 0.650
Germany	DM 2.00	Morocco	Dh 6.00	Turkey	L 120
Greece	Dr 60	Netherlands	Fl 2.75	U.A.E.	Dh 6.50
India	Rup 15	Norway	NKr 6.00	U.S.A.	$1.50

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 28,996 — Thursday February 10 1983 — D 8523 B

Spot oil market: 'it's a flip-coin business,' Page 20

NEWS SUMMARY

GENERAL

U.S. will consider other N-deals

U.S. Vice-President George Bush last night confirmed Washington's willingness to consider alternatives to its "zero option" proposals for banning intermediate nuclear missiles from Europe.

But he said the U.S. insisted on reducing forces to the lowest possible levels, assuring equal forces for both sides with no "bogus counting," and obtaining a verifiable agreement.

His speech in London at the end of his 11-day European tour was the clearest statement yet of U.S. flexibility in the Geneva talks. Page 7

CIA 'not involved'

Former Australian Governor General Sir John Kerr broke a seven-year silence on his dismissal of Labour Premier Gough Whitlam to deny that the U.S. Central Intelligence Agency was involved.

Better human rights

The UN's Human Rights Commission said the situation in Bolivia had improved in recent months, especially since President Hernan Siles Zuazo's left-wing Government came to power in October.

Tanks allegations

British arms dealer Ian Smalley claimed the Defence Minister of the United Arab Emirates was involved in a conspiracy to deliver an illegal shipment of tanks to Iran, U.S. customs agent Don Winkler told a Dallas court.

Exile group banned

West Germany banned exiled Turkish left-wing group Devrimci Sol which laid siege to the Turkish consulate in Cologne in November in protest at military rule in Turkey.

Turkish arms boost

Turkey's military aid from the U.S. will be boosted from $400m to $755m next year because of Washington's "intense interest in Turkey's security need," the U.S. embassy said.

Extradition request

An Argentine judge asked Spain to extradite former Social Welfare Minister Carlos Villone on charges of mismanaging government funds during President Maria Peron's rule.

'My 105 wives....'

Giovanni Vigliotto, 53, who boasted he had married about 105 women, was convicted in Phoenix, Arizona of bigamy and fraud.

Tragic pay day

Three people died when fire swept through a post office in the north Soviet town of Mezen as firemen were celebrating pay day the newspaper Komsomolskaya Pravda reported.

Gulf war: 440 die

Iraq said about 440 Iranians were killed on Tuesday in a major battle following a new Iranian offensive in the 29-month-old Gulf war. Feature, Page 4

Nigeria arrests 100

More than 100 West Africans were arrested in Kano, north Nigeria, for defying the Government's order expelling illegal aliens.

Racehorse hunt

Irish police continued the hunt for Derby-winning racehorse Shergar, stolen by masked gunmen from a stud farm, but denied a £2m ($3.1m) ransom had been demanded. Men and Matters, Page 22

BUSINESS

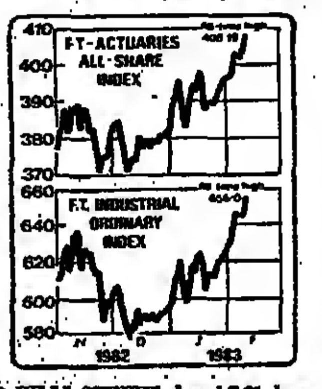
Irish budget raises taxes

● IRISH budget yesterday increased VAT from 18 per cent to 23 per cent, put a 1 per cent levy on income tax but spared drink, petrol and tobacco duty which increased in January. Page 22

● DOLLAR fell to DM 2.43 (DM 2.441), FFr 6.8925 (FFr 6.9225), and Y236.25 (Y237.3), but rose to SwFr 2.0225 (SwFr 2.0165). Its Bank of England trade-weighted index was 119.9 (120.1). Page 40

● STERLING rose 45 points to $1.542 and improved to SwFr 3.12 (SwFr 3.1025), but eased to DM 3.75 (DM 3.755), FFr 10.6275 (FFr 10.6425) and was unchanged at Y365. Its trade-weighting was unchanged at 81.2. In New York the pound closed at $1.5440. Page 40

● GOLD fell $4.75 in London to $492.5. In Frankfurt it fell $7 to $497.5 and Zurich by $6 to $491.5. In New York the Comex February settlement was $492.2 ($492.7). Page 37



● WALL STREET closed 7.91 down at 1,067.42. Page 33. Full share listings, Pages 34-36

● LONDON: FT Industrial Ordinary index climbed 6.6 to reach another peak of 656. Government Securities were firm. Page 33. FT share information service, Pages 38, 39

● TOKYO: Nikkei Dow index fell 31.27 to 7,995.93. Stock Exchange index slipped 0.34 to 584.14. Pages 33, 36

● HONG KONG: Hang Seng index rose 9.8 to 906.64. Pages 33, 36

● AUSTRALIAN all-shares index lost 1 to 503.3. Pages 33, 36

● FRANKFURT: Commerzbank index gained 1.3 to 766. Pages 33, 36

● *PHANTOM* cargoes of North Sea oil are being traded in the spot market. Page 22

● BARCLAYS BANK, Britain's biggest clearing bank, is pulling out of the $3.5bn a year UK factoring market. Page 7

● IMF needs 50 per cent more resources to cope with the international debt crisis, its policy-making head, Sir Geoffrey Howe, said.

● *MEXICO's prices index rose 10.9* per cent in January compared with 10.7 in December, dashing hopes of reducing inflation to 50 per cent this year. Page 5

● BAHRAIN will temporarily cut its refinery output because of the world oil glut.

● BANKRUPTCIES in West Germany reached a record 11,916 last year, 40 per cent up on 1981.

● CUMMINS, the U.S. diesel engine maker, reported net earnings for 1982 down from $114m to $7.7m. Per-share earnings fell from $13.10 to $0.21. Page 22

● HARLEY-DAVIDSON, the last U.S. motorcycle manufacturer, hopes to have won a "breathing space" thanks to an import duties package. Page 6

FT index

● UDS GROUP is replaced as a constituent of the FT Industrial Ordinary share index by Associated Dairies Group from this morning. UDS is no longer considered representative of the general market.

Japscam reveals Pacific gulf of misunderstanding

BY JUREK MARTIN IN TOKYO

RARELY HAS the gulf of incomprehension across the Pacific been so wide as in the seven months since the FBI disclosed that it had "caught" employees and associates of first Hitachi and then Mitsubishi Electric, *two of Japan's major electronics groups*, trying to buy industrial secrets from IBM, the U.S. computer giant.

The brief statement Hitachi issued in Tokyo yesterday morning is a testament to that *misunderstanding*. It explains why the previous day the company and two of its employees now in the U.S. had pleaded guilty to criminal charges and been fined. The company itself was fined $10,000 and the two employees $10,000 and $4,000 respectively. In addition, they were placed on unsupervised probation.

The carefully phrased statement says: "In view of certain facts, namely, that the U.S. Government attorneys have requested that this case be settled before trial through plea bargaining (accepting a lesser sentence to avoid a full trial) and that we have a sincere desire for our employees to be able to rejoin their families by being released from the present difficult situation in which they have been compelled to live in the U.S., and in view of the difficult economic circumstances *prevailing today, we have determined* to bring the matter to an early settlement.

"One of the reasons we have accepted this offer of plea bargaining is the fact that with respect to the civil actions raised in connections with this case, constructive discussions are now progressed with IBM Corporation so that there is a good prospect of our differences being settled through good faith negotiations.

"We will take the lessons of this case in complete sincerity, try harder to understand and study the differences between Japan and other countries in history, culture and legal systems, and make this case a springboard for our development as a truly international enterprise.

Hitachi officials hinted yesterday that the company had "assurances" that the pound of flesh that IBM would seek in the negotiations in a civil suit over the next 60 days would not be cut from Hitachi's heart.

Sentencing Hitachi Ltd to a maximum fine of $10,000 for conspiracy to transport stolen IBM secrets to Japan, Judge Spencer Williams stressed: "I want it to be known that this is a full admission to the charge."

In a San Francisco courtroom on Tuesday, he said: "I hope that this will serve as an example for other corporations throughout the world that deal in electronics."

Criminal charges against nine Hitachi employees who are in Japan still stand, but the U.S. is not expected to pursue extradition proceedings against them.

Mitsubishi Electric, of Japan, and four of its employees have also been charged with conspiracy to obtain IBM secrets following the FBI undercover investigation in Silicon Valley. This case is "unrelated to the Hitachi case," Mitsubishi's U.S. lawyers said. Unlike Hitachi, Mitsubishi is not expected to plea bargain with U.S. attorneys.

A tentative trial date has been set for July. Mitsubishi is not being sued by IBM.

Most of Hitachi's press conference with the Japanese media yesterday was devoted to explaining the unfamiliar concept of plea bargaining and to stressing that the other 11 indicted Hitachi employees, nine living in Japan and the other two still in the U.S., would see their cases disposed of without guilty pleas being entered.

In addition, both in Tokyo and in the affidavits filed in court in California, Hitachi insists that its senior executives were totally ignorant of what was going on. Senior heads are not expected to roll.

The reference in the last paragraph to the need to understand foreign history, culture and legal systems is central. Because the Japanese tend to see themselves as a homogeneous entity, with component parts, government, industry, the law, functioning roughly in harmony, they tend to assume that other countries operate in a similar fashion.

The popular view in Japan, with the press contributing to it, is that "Japscam" as the affair has beome known was a put up job. After all, it involves the FBI, an agent of both the U.S. government ant the law, entrapping unwary Japanese businessmen in a foreign land who happened to be in competition with IBM. The broad Japanese assumption is of collusion.

Japan is also not a particularly litigious society, certainly not in comparison with the U.S. Professor Young of Columbia University has pointed out that in 1981 more law suits were filed in California than in Japan, which has six times the population. There is one qualified lawyer for every 450 people. In Japan the ratio is one to 10,000. Devices such as entrapment in the U.S. (the FBI set up a dummy company using a previous American associate of Hitachi) are simply not widely understood in Japan.

The Japanese also resent the inference, implicit in the Hitachi case and elsewhere, that they will go to any lengths, including espionage and bribery, to acquire the expertise to further their own industrial development.

Internally, Japan has operated since feudal times on a delicate system of patronage and favours. Politics are still based on such a system as is – in less obvious ways – the commercial infrastructure.

One man's patronage may be another's corruption. Thus, the argument runs, if the Japanese really are innocents abroad, they may well try to practise overseas what they do at home with impunity and be surprised if they are caught.

The trouble with this theory, much loved by the U.S. electronics industry, is substantiating it. No-

Continued on Page 4

Hitachi likely to be hurt in U.S., Page 23

Industrial powers likely to resist reflation demands

BY ANATOLE KALETSKY AND MAX WILKINSON IN WASHINGTON

THE WORLD's leading industrial powers are expected to take a tough stand in the next two days against increasing pressure to reflate their economies as a means of promoting recovery.

At the start of the International Monetary Fund's (IMF) special interim committee meeting in Washington yesterday Sir Geoffrey Howe, UK Chancellor of the Exchequer and chairman of the meeting, *said industrialised countries* had little room for manceuvre to expand economic demand. This view would be supported by most of the developed countries, including West Germany and the U.S.

"Those countries which are furthest along the road towards getting inflation under control are among those most anxious not to be led off that path."

Sir Geoffrey's comments at a news conference echoed the private advice of senior fund officials. They have said that suggestions from the group of 24 less developed countries for a reflation programme by Germany, Japan, *the UK and perhaps* the U.S. would not provide an answer to the problems of world recession and mounting third world debts.

"We are now looking for growth founded on proper economic adjustments rather than the injection of demand."

The meeting of representatives of the fund's 146 members is intended to agree a substantial increase in *the fund's quota subscriptions* in response to the global debt problem. It is also likely that the meeting will formally agree that the option of reflation should not be taken at present.

The fund's staff believes governments should instead take special tax and other measures to help provide investment and keep a tight rein on fiscal policies to help interest rates fall further.

This strong restatement of previous policies comes when several studies suggest that a considerably faster pace of world recovery is needed to prevent *another debt crisis* in a few years.

According to this view even the 40 per cent to 50 per cent increase in quotas expected to be agreed this week would not be enough to meet the likely demand for third world credit.

The IMF's own internal estimate suggests that commercial banks will be able to match only about a third of the $70bn of current account deficit of the developing countries without oil this year. Last year commercial banks financed about half of a larger total of deficits.

Morgan Guaranty of New York estimates that, even under optimistic conditions, the IMF and other official sources would have to provide an extra $30bn credit this year compared with last year's level. This compares with an increase of $22bn which it expects in commercial bank lending to the third world. Under more pessimistic assumptions,

Continued on Page 22

Begin still to decide on reaction to inquiry

By David Lennon in Tel Aviv

THE political turmoil in Israel over the highly critical findings of the Commission of Inquiry into the Beirut massacre continued yesterday as Mr Menahem Begin, the Prime Minister, sought a formula which would enable him to accept the Commission's recommendations but still retain power.

The Cabinet held its second extraordinary session yesterday to discuss the Commission's findings, but again reached no conclusion, and will hold a third meeting this evening. Even though a majority of *ministers are reportedly in favour* of accepting the recommendations, they are apparently unable to decide on how to implement them.

Mr Begin's main problem remains how to get rid of General *Ariel Sharon, his Defence Minister*, without making him into a hero of the extreme right, and thus a potential political rival in the future. About 1,000 demonstrators gathered at Mr Begins office last night, *demanding* that Gen Sharon be retained in the post.

Gen Sharon was still refusing to resign yesterday, despite the Commission's recommendation that he

Continued on Page 22

West Bank orders defended by Eitan, Page 4

Airbus urges pan-European export credits

BY DAVID MARSH IN PARIS

A CAMPAIGN for a pan-European export credit bank to head off U.S. competition in financing aircraft exports was launched yesterday by Airbus Industrie, the European airliner manufacturing consortium.

M Bernard Lathière, Airbus Industrie chairman, told a press conference that a European version of the U.S. Export-Import Bank was needed to bring greater cohesion to the financing of Airbus sales. At the moment, credits to back Airbus exports are made under the aegis of separate government agencies in the consortium's three main member-countries, France, Britain and West Germany. This is a system which Airbus Industrie and its French partner, the nationalised Aérospatiale group, find bureaucratic and unwieldy.

In spite of well-publicised setbacks to the airliner group last year, M Lathière said there was no question of any "caving-in" of Airbus sales.

He dismissed as a "storm in a teacup" the controversy which broke out last month over the leaking to Le Monde newspaper of a letter by General Jacques Mitterrand, Aérospatiale president. The letter, sent to civil servants in French ministries, termed the state of the Airbus programme as "preoccupying," and blamed insufficient financial support from West German and British banks.

M Lathière said Airbus orders had risen by six last year with 17 sales and 11 cancellations. Although this was well down from 1981 sales of 46 Airbuses, the balance remained positive. The order book of more than 130 (the difference between overall sales of 350 and deliveries of 206) *gave the consortium work in hand for around 2½ years.*

Echoing the recent declaration of M Charles Fiterman, the French Transport Minister, who has leapt to the defence of Airbus by pointing out that competitor companies like Boeing and McDonnell Douglas fared even worse last year, M Lathière said that the consortium maintained its share of more than half of the commercial world market for wide-bodied aircraft.

He also declared himself unruffled at the possibility that British Airways would place jet orders with the two *U.S.* companies for *its* new fleet of small short-haul airliners.

French deny giving Timex FFr 550m aid

BY DAVID HOUSEGO IN PARIS

M JEAN-PIERRE Chevènement, the French Industry Minister, denied yesterday that his Government *had provided FFr 550m* ($79.45m) in aid to a Timex affiliate which is controlled by Mr Fred Olsen, the Norwegian businessman.

The money was reported by the British and French press to have been earmarked for the expansion of facilities at Besançon in the east of France.

"We have given nothing," M Chevènement said. "I have read of these figures. They are bizarre."

The extent of the French aid offered to the Timex affiliate is under investigation by the EEC. In the UK, the Scottish Office also has reservations about loans said to have been offered to the company by the French Government.

French officials concede that about FFr 30m to FFr 35m was provided to the company by the regional development agency, DATAR. They also said the operation would be eligible for government assistance *to promote research and* training for job conversion. There would be entitlement to other subsidised loans through the state-run Credit National.

They claimed that the amounts were *still* under *discussion* and would in any case be phased over the implementation of the programme.

The notion that *the figure of FFr* 550m was floated by the Timex company, but not as yet conceded by the Government, carries some weight in France. The Government is conscious of the danger of multinationals *bidding up development* grants as between different countries.

The Besançon project, which would involve initial investment of FFr 500m, the creation of at least 500 new jobs, and providing for a major reconversion of the Besançon plant, is controlled by a new holding company, Fralsen, of which Mr Olsen, the head of Kelton-Timex, is chairman. It would specialise in watches, electronics and optical instruments.

The electronics side has already begun the manufacture of personal computers under the Timex-Sinclair brand name. The optical firm will develop three-dimensional photography, launched by Nimslo.

The Timex Corporation yesterday rejected British trade union proposals to retain watch manufacturing at the company's Dundee factories in Scotland.

Rush to buy in UK ports sale

By Dominic Lawson in London

THE UK Government's offer of 49 *per cent* of the *shares* in *Associated* British Ports, the state-owned docks authority, has attracted over £500m (*$770m*) from *the* public. Current estimates are that the issue has been oversubscribed by about 25 times.

This is more than the offer for shares in the nuclear fuels processor Amersham International and contrasts with the Britoil sale, which attracted buyers for under 30 per cent of the shares offered.

The London stock market easily absorbed the twin pressures of the Ultramar rights issue and the Associated British Ports flotation yesterday to reach new trading peaks.

The Financial Times All-Share Index rose from 404.85 to 408.19 and the Industrial Ordinary Index, which charts the progress of 30 top shares, added 6.6 to 656.0 to establish another record high.

Gilt-edged securities achieved some *small* gains as the pound maintained its value against other currencies, but dealing levels were overshadowed by the activity in ordinary shares.

Continued on Page 22

CONTENTS

EUROPEAN NEWS

Thorn wins a breathing space from Euro-MPs

BY JOHN WYLES

M GASTON THORN, President of the European Commission, chalked up a personal success in Strasbourg yesterday by averting any moves for the time being to dismiss him and his 13 Commission colleagues.

But the European Parliament will give a clear signal today that it may move against the Commission in June or July when it endorses a supplementary budget giving the UK a £500m ($770m) rebate on its 1982 EEC budget payment.

Adoption of the budget is being recommended by the Parliament's budget committee, whose resolution also sets a key deadline for the commission by calling for "specific proposals for the development of existing policies and for the future financing of the Community" by May 31.

Supporters of a move to dismiss the Commission are expected to exploit this deadline to call for a critical appraisal of the Commission's proposals in June or July.

In the meantime, however, yesterday's debate on the contents of the major policy speech delivered by Thorn on Tuesday indicated a general satisfaction with the Commission's priorities for fighting unemployment and industrial decline but also a demand that the strategy be filled out by more concrete proposals. However, the occasion showed the Parliament in the poorest possible light.

Little more than 50 of the 434 MEP's were in the chamber at any one time during the two-hour debate and the Parliament's President, Mr Pieter Dankert, and other leading lights were conspicuous by their absence at a meeting of the "enlarged bureau" – the Parliament's main management committee.

Only Mme Simone Veil, leader of the Liberal group, really rose to the occasion with a majestic speech arguing that the Commission should not be held responsible for the shortcomings of national governments.

For his part, M Thorn was clearly depressed by the miserable attenndance at the debate and emboldened by the general welcome give to his policy programme by the few contributions which were made yesterday.

In a fighting wind-up speech, he thundered that the Parbament could not have it both ways. It could not accuse the Commission of tardiness when it took its time to produce detailed proposals and of impracticality when it responded to pressures by rushing out general policy declarations.

French steel and chemicals to receive half state sector funds

BY DAVID HOUSEGO IN PARIS

THE LOSS-MAKING steel and chemical sectors will receive about half the FFr 20bn (£1.87bn) of new capital resources to be made available this year to the French nationalised industries.

This became clear yesterday when the Cabinet, at its weekly meeting, agreed on the distribution of the funds—of which FFr 12.4bn is to be financed out of the budget—among the 12 competitive nationalised companies.

The Cabinet also approved the new three-year planning contracts which the individual industries are to sign with the Government.

M. Jean-Pierre Chevenement, Minister of Industry and Research, described these as striking a balance between setting out long-term objectives for the industries in line with the Government's strategy, and preserving their autonomy of management.

In concentrating new cash injections on the loss-making sector, the Government believes that the stronger nationalised companies will be able to raise additional loans themselves

Saint Gobain, the glass and engineering group, Compagnie Generale d' Eléctricité (CGE), and Rhone-Poulenc, the chemical group which is moving out of the red, are seen in this light.

M Chevenement revealed that the steel sector will receive FFr 6.4bn and heavy chemicals FFr 3bn in an effort to modernise these basic industries. In addition Rhone-Poulenc, now specialising more in pure chemicals, would receive FFr 1.8bn.

Within the electronics sector Thomson is to get FFr 1.8bn, Cii Honeywell Bull FFr 1.5bn, and GEC FFr 870m.

Of the remainder, the loss-making Péchiney metals group will receive FFr 2.4bn and Renault FFr 1.6bn.

M. Jean-Pierre Chevenement said that the nationalised groups had asked for FFr 50bn over the three years 1983-85.

Officials within the companies say the requests were much larger than this and leave little doubt that in a number of cases the risk capital being made available falls short of their ambitions.

Apart from allocations through the budget, the remaining FFr 8bn of new cash injections are to be financed out of subordinated loans from the nationalised banking system, special issues of "participatory shares" to be raised by the nationalised companies themselves, and by the sale of nationalised industry bonds held by some of the companies.

M. Chevenement also disclosed that the 12 industries are to invest FFr 31bn this year, of which FFr 22bn will be in France. This compares with FFr 24bn last year of which FFr 16bn was in France.

If takeovers or share purchases in other companies are included, then the nationalised industries' investments in France rise to FFr 27bn.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $420.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

Italy's banks to fix own prime rates

By James Buxton in Rome

ITALIAN banks are to be allowed to fix their own prime lending rates instead of adhering rigidly to the rate agreed by ABI, the Italian banking association. But ABI will continue to set a prime rate to be used as a guide by the banks.

The decision is a step towards liberalisation of the interest rate structure and towards greater competitiveness in the banking system.

ABI rejected pressure from government and industry to make a further reduction in its prime rate. Top Italian borrowers have been paying 20 per cent interest on their loans instead of 20.75 per cent since February 1, but the association said it was too soon for a further cut.

Banks are not expected to lower their individual prime rates immediately in the wake of the ABI decision. But there is likely to be a little more competition in due course, within the tight constraints on the expansion of credit laid down by the Bank of Italy and the Treasury.

Banca Nazionale del Lavoro, the country's biggest bank, led the fight for an end to the system of the ABI prime rate. Several of the other major banks resisted a change. In the compromise finally reached, ABI said that individual banks had in theory always been free to set their own rates.

In the interest of greater openness, ABI recently urged its member-banks to publish the maximum interest rate which they charge borrowers.

But banks do not publish the rate they pay on deposits, which vary widely according to the depositor. The banks are resisting pressure to narrow the supposedly wide gap between deposit and lending rates.

Confidence vote won

The Italian Government last night comfortably won a vote of confidence in Parliament over its handling of the affair of Eni, the state energy company, to which it appointed a new chairman last week, writes James Buxton in Rome. Sig Amintore Fanfani, the Prime Minister, sacked the previous chairman only three months after he took office, in order to satisfy his Socialist Party coalition partners.

Brandt renews plea for worldwide economic and monetary change

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

HERR WILLY BRANDT complained at a news conference yesterday that "practically none of the proposals" in his Commission's 1980 report had been adopted, writes James Buchan in Bonn.

"As we feared, the world economy has drifted into a recession which is ever more like the economic crisis of the 1930s," he said. If this process of economic contraction continued, the crisis would deepen and "prospects for a step-by-step reform of the international monetary system will come to nothing."

For this reason, he said, the new report published yesterday is concerned especially with "the immediate financial emergency" facing several countries.

Herr Brandt: Recession

A FRESH appeal for a radical restructuring of the world's economic and monetary system was launched yesterday by Herr Willy Brandt, the former West German Chancellor, and other members of his Commission on development issues.

The keystone of this restructuring, they say, should be a significant boost to the International Monetary Fund—at least doubling its resources and making a large new allocation of its Special Drawing Rights to create the liquidity needed to prevent a further contraction in the international economy.

The Brandt Commission's "urgent and up-to-date version" of its original emergency programme also involves a considerable increase in aid.

The Commission set up following a proposal by Mr Robert McNamara when he was president of the World Bank, includes Mr Edward Heath, the former British Prime Minister, Mr Olaf Palme, the Swedish Prime Minister, Mr Sonny Rampbal, the Commonwealth Secretary-General, and ministers from a number of Arab and other countries.

The commissioners want their programme taken up by the special session of the United Nations Conference on Trade and Development which is due to meet in Belgrade in June. They also raise the possibility of another summit conference on the programme, while accepting that the first one—held at Cancun in Mexico in October 1981—was unsatisfactory.

Herr Brandt warns that, since their original report three years ago, "the world's prospects have deteriorated rapidly . . . further decline is likely to cause the disintegration of societies and create conditions of anarchy in many parts of the world."

The new report*, say its authors, is designed to alert the public to the dangers of the economic crisis and governments' failure to tackle it. It was written as the Latin American debt problems were coming to a head and before recent hints of some recovery in the U.S. economy.

The Commission argues that many of the worst fears it expressed three years ago have been confirmed by recent developments but adds: "Today we see far greater dangers than three years ago."

Its key concern, taking up most of the 159-page report, is whether the world's financial system is adequate. It pays particular attention to increasing the resources available to the IMF. The Fund should be encouraged to borrow from central banks and also approach the private capital markets, says the report. These approaches should be in addition to the "safety net" proposed by the U.S. last autumn.

There should be a significant change in the conditions attached to IMF loans. The fund should tailor its programmes more to the needs of its clients and attach fewer conditions to finance for low-income countries with limited access to the capital markets. It should pay more attention to supply factors, rather than rely on demand constraints, devaluation and credit ceiling as the main instruments for adjustment.

The report underlines the interdependence of the world economy. One in six U.S. industrial jobs depends on exports to the Third World. A halt in the growth of bank lending to non-oil developing countries could cut their imports, in turn cutting OECD growth by 1 per cent, according to calculations by Morgan Guaranty cited in the text.

However, the commission insists that "the banks which stered into those waters must be lashed to the wheel in the storm, not allowed to go below and sleep." The only way developing countries can meet their debt obligations is by borrowing more. To help private flows to developing countries it favours a multilateral investment insurance mechanism, a renewed attempt to create a frame work covering international investment and support for the World Bank's International Finance Corporation.

It calls on governments to double aid to the poorest countries by 1985, with donors allocating 0.15 per cent of GNP for this purpose, and for aid commitments to reach 0.7 per cent of GNP within five years. The report is particularly critical of the handling by the U.S. of the International Development Association, the soft-loan arm of the World Bank.

If Afghanistan had not been one of the world's largest recipients of aid events there might not have turned out as they have, the report suggests.

The suggestion that the poorer countries have brought their problems on themselves is dismissed by the report, which attacks the lack of co-ordination between the Western countries—in particular the U.S. stance on monetary and fiscal policy.

* *Common Crisis North-South: Co-operation for World Recovery. The Brandt Commission, published by Pan, Caroye Place, London. £1.95.*

Strain breaks the trains in Soviet Union

BY ANTHONY ROBINSON IN MOSCOW

THE IRON road plays a vital role in the Soviet Union, with its huge land mass, harsh climate and primitive roads. But the railways' current state of disorganisation and overloading is also a major factor behind the enormous waste and inefficiency of the Soviet economy as a whole.

Improving the efficiency of the railways has become one of the top priorities of Mr Yuri Andropov, the Soviet leader, who complained that the situation "was deteriorating from year to year" in his inaugural speech to the central party committee last November. He followed this up a week later by sacking Mr Ivan Pavlovski, the Minister of Railways, and replacing him by his deputy, Mr Nikolai Konarev.

The Soviet rail system is the largest and most heavily used in the world. It carries more than 10m passengers a day and boasts nearly 143,000 km of track, of which more than 30 per cent is electrified, with another 6,000 km to be added by the end of the current five-year plan in 1985.

By then, the 3,600 km long Baikal-Amur Magistral (BAM) railway in Siberia should also be completed after 11 years of work.

BAM will relieve pressure on the heavily overloaded trans-Siberian line some 500 km to the south and open up vast new mineral-rich areas of eastern Siberia for exploitation.

The Soviets claim that their huge network carries more freight than the rest of the world's railways combined and that freight transport will grow by a further 20 per cent in the current plan period to 3,950bn tonnes/km.

What these statistics do not say, however, is that millions of tonnes/km are clocked up through irrational cross-hauls, that a high percentage of freight is either broken or pilfered en route and that half the wagons in any given freight train are likely to be unusably damaged. Even those which are undamaged spend on average only 120 days in motion every year and the rest of the time idle in sidings.

One of the most extraordinary of the Soviet railway statistics is that the total length of Soviet rail sidings, at 140,000 km, is virtually equal to the length of the actual running track. Once shunted into the sidings, wagons can disappear for months or even years.

> A high percentage of freight is broken or pilfered en route and half the wagons in a goods train are likely to be damaged. Even the undamaged spend only 120 days a year in motion on average and the rest of the time in sidings.

Sometimes this through error or poor organisation. Occasionally, the factory or farm concerned has inadequate storage facilities and keeps goods or raw materials in the wagons until they are needed. Most of the damage to freight cars takes place on poorly maintained sidings during loading and unloading.

The problem of damaged wagons has now reached such proportions that factories throughout the country are being urged to set up their own wagon repair shops.

A typical case is that of the huge military and truck complex, Zil, whose general director, Mr Valeri Tsyakin, recently complained that at least half of the average train of flatcars or wagons were unfit for loading.

"What can one do when there is almost nothing left of a flat car other than a metal skeleton, or when a wagon has one door missing—or both—and the hatches have been lost and much else besides?" he asked, plaintively. "Usually these broken wagons return to the railway and a vast number of such invalids roam the mainlines in search of a haven for repair," he added.

Mr Tsyakin said that Zil had been routinely repairing broken wagons out of its own resources for years, but was investing in new facilities to double its repair capacity and urging other plants to do likewise.

Inefficiency is not always the fault of the railways themselves. Often, it is a reflection of shortcomings in other areas of the economy.

Rail experts calculate, for example, that every year they carry—sometimes over long distances—some 25m tonnes of useless rock because the coal mines do not clean and sort coal before shipment. This figure, incidentally, also casts considerable doubt on the coal industry's claimed production figures.

Nevertheless many of the railways' problems appear to stem from the same bureaucratic rigidities and illogicalities which characterise the Soviet system.

Management of the railways, far from being monolithic and centrally controlled, is highly fragmented. This process of splitting the railways into smaller and smaller territorial divisions is increasing.

Thus, the overall network is now divided for managerial purposes into 31 separate railways, with no fewer than 185 divisions, according to Mr Anatoli Raizberg, deputy director of the Chelyabinsk Division of the South Urals Railway.

He described his own experience when the Orenburg Division of the South Urals Railway was split into two new divisions—the Orenburg and the Orsk.

Creation of the new division necessitated the construction of a new four-storey office block and housing for 250 bureaucrats. Before all this happened, trains would hardly even slow down as they passed Kuvandyk Station.

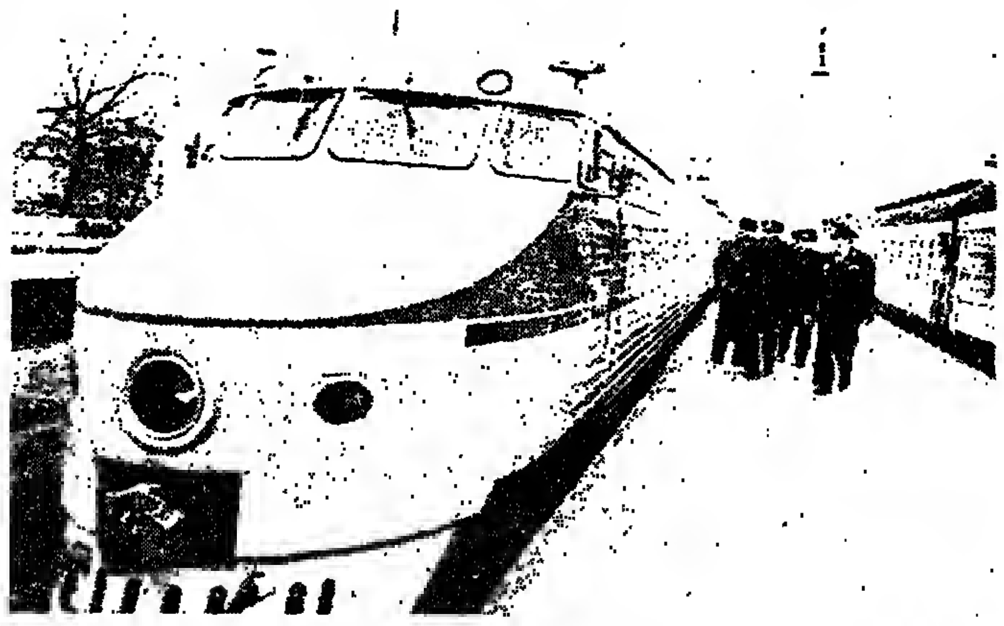
Now that the station marks the dividing line between the two divisions, however, trains are regularly held up before moving across into another division. Mr Raizberg suggested that 15,000 bureaucrats could be given more useful jobs if the number of divisions was reduced by a third and the trains would run faster.

Managerial reorganisation, more double track and electrification, a greater effort to repair wagons, quicker wagon turn-round times and introduction of modern signalling and computers will all make their contribution to increasing efficiency.

Tougher measures are also now being taken to halt the pilfering and sometimes wanton damage of goods in transport, which has been facilitated by the number of broken or insecure wagons and long unguarded halts in sidings

Overloading is now so serious that it threatens to bring paralysis to large sections of the rail network unless really radical steps are taken to switch short-haul trips of less than 200 km to road, river or other transport and, above all, to cut down on the high number of irrational cross hauls.

At present, an estimated 500m tonnes of freight—usually coal, timber and raw materials—frequently cross other trains loaded with the same goods going in the opposite direction.



This express runs between Moscow and Leningrad at over 100 mph. The Soviet rail system carries more than 10m passengers a day

West Bank orders defended by Eitan

By David Lennon in Tel Aviv

GENERAL RAFAEL EITAN, the Israeli chief of staff, who was criticised severely by the commission of inquiry into the Beirut massacre of Palestinians, yesterday defended his orders to harass Palestinians on the occupied West Bank.

"The system of harassment, of arresting people, releasing them and then detaining them again a few days later, proved itself in practice," General Eitan told a court-martial in Tel Aviv.

It is trying seven soldiers accused of brutal mistreatment of Palestinian youths during anti-Israeli protests.

The chief of staff also confirmed that he had ordered the establishment of detention camps to handle the overflow of those arrested, the detention of anyone in the immediate vicinity of a disturbance, and the fining of parents of stone-throwing children.

Appearing for the defence, General Eitan said that fining parents so that they will discipline their children "worked with the Arabs."

He also concurred with the defence lawyer's contention that acts by soldiers such as overturning the cart of a curfew breaker or using tear-gas to disperse demonstrators were acceptable actions.

The Chief of Staff thus supported the defence's contention that the soldiers were only carrying out orders. At the same time, he said that indiscriminate beating of civilians was not part of his orders.

The judicial Commission of Inquiry accused General Eitan of bearing a large part of Israel's indirect responsibility for the slaughter of hundreds of Palestinians.

The Commission said it would have recommended his dismissal for dereliction of duty but for the fact that the Chief of Staff is due to retire shortly.

AP reports from Cairo: The mayor of Bethlehem yesterday renewed his call on the Palestine Liberation Organisation to accept U.S. President Ronald Reagan's Middle East peace plan.

Beirut aid pledge

The European Community announced plans yesterday to help rebuild Beirut's drinking water system which was damaged during the Israeli seige last year, Reuter reported from Brussels. The Community's executive Commission said it proposed granting $20m for the work.

Echoes of Gulf War resound across Middle East

BY ROGER MATTHEWS, MIDDLE EAST EDITOR

MORE MEN will be killed today in the border region between Iraq and Iran, just as there have been every day for the past two years and four months. The estimated 100,000 who have perished since the Gulf war erupted in September 1980 emphasise the horrendous human proportions of a struggle which now embraces most of the political map in the Middle East and is an important ingredient in the crisis over world oil prices.

After the initial flurry of interest which any war attracts, intensified in this case by the fact it was two oil giants which were slugging it out, the industrialised nations became progressively less concerned at the course of the fighting as it appeared that its impact on Western economies would be minimal. The intensification of the world-wide recession allowed Iraq and Iran's joint exports of 6m barrels of oil a day initially to disappear from international markets without any major effect on prices.

Neither was there any hint of Western sympathy for either combatant. The radical, intolerant regime in Baghdad would not even recognise United Nations Resolution 242 as a basis for settling the Arab-Israeli crisis. It was deemed to be firmly within the Soviet orbit and it co-ordinated Arab hostility to Egyptian President Anwar Sadat's peace-making efforts.

The crude excesses of the Khomeini style of Islamic fundamentalism and its stated determination to export its revolution had marked Iran down as a longer-term threat to regional stability. No tears therefore were likely to be shed over either regime trying to wreak havoc on the other—just so long as neither appeared close to a decisive victory.

However as the war has come to look increasingly unwinnable militarily, so it has spread to encompass other political and economic battlegrounds, such as world oil prices, the future of the Organisation of Petroleum Exporting Countries (Opec) the fate of U.S. President Ronald Reagan's proposals for a solution to the Palestinian issue and the moves to secure a political settlement in Lebanon.

The Gulf War has impinged on all these inter-related issues, and has contributed to the Middle East political realignment now taking place. More than ever, the Middle East is split by the struggle between the conservative regimes, which have the wealth, and the radicals which have less economic power but greater military strength.

On the one side is ranged Saudi Arabia, its partners in the Gulf Co-operation Council (Kuwait, United Arab Emirates, Qatar, Bahrain and Oman) together with Jordan, Morocco and an only partially effective Egypt: on the other, Iran, Syria, Libya, South Yemen and, rather more equivocally, Algeria. Balanced precariously between the two is Mr Yassir Arafat's Palestine Liberation Organisation, and seeking every opportunity to widen divisions Mr Menahem Begin's Israel.

Although a military solution to the war cannot be ruled out, Iran has failed to capitalise on the initiative it seized during the first of last year when it drove the Iraqi forces back across the international border. Since then, several bloody assaults have foundered on well-prepared defensive positions and improved Iraqi fighting morale. Another offensive was launched on Sunday night but it must be doubtful whether Iran now has the logistical support to sustain an attack for more than a few days, especially since the Iraqi Air Force has learned to harry attempted Iranian troop concentrations and supply lines.

The key to Iraq's survival has been and will continue to be the financial support it receives from Saudi Arabia and its Gulf allies. Without this support the regime of President Saddam Hussein could crumble swiftly. Figures issued by the Bank for International Settlements suggest that Iraq's foreign assets had dropped to nearly $8bn by the middle of last year from a high of nearly $30bn at the start of the war. In addition Iraq has "borrowed" at least $30bn from Saudi Arabia and its friends. Baghdad's earning capacity is limited to the pipeline through Turkey which, if it averages 600,000 b/d of oil at an optimistic $28 a barrel, will bring in little more than $6bn in 1983.

Iran, by contrast, has successfully restored much of its pre-war oil exporting capacity with output having climbed as high as 2.8m b/d through vigorous discounting, a policy which has done much to wreck Opec's more recent attempts to act as a genuine cartel by fixing both production levels and prices.

Should Saudi Arabia and the Gulf exporters try within the next few weeks to mount an effective defence of a lower reference price—probably $30 against the present $34—they will still have to reckon with Iran's determination to maintain its own production levels which presumably may only be achieved by further price cutting. If Libya, which like Iran has acted in defiance of Opec agreements, also joins in then the Saudi fear of a downward price spiral may yet be realised.

Seen from Tehran, the resulting collapse of an Opec dominated by Saudi Arabia would be a political victory of sufficient weight to offset the damages caused to its own earning levels. Without firing another shot, Iran can keep its stranglehold on the Iraq economy for as long as it wishes. Until there is a settlement of the war, Iraq will be denied the use of its only deep water terminals off the mouth of the Shatt al-Arab waterway, which means other Arab countries will have little option but to continue meeting Iraq's bills.

Iran has found a valuable tactical ally in Syria, based on little more than the Middle East assumption that my enemy's enemy must be my friend. The ideological dispute between the ruling Arab Socialist Ba'ath parties in Damascus and Baghdad has reached such intensity that each is calling openly for the overthrow of the other. Syria last year shut its border with Iraq and closed the pipeline to Banias which, with the spur line to Tripoli in Lebanon was capable of carrying at least 900,000 b/d. The last Syrian offtake from the pipeline has been replaced by supplies from Iran. Iraqi hints that it would like to negotiate a reopening of the pipeline were firmly rebuffed by Syria last autumn and a Saudi attempt to conciliate a few weeks ago was again rejected.

Saudi Arabia's failure reflects the sense of Syrian betrayal at the unwillingness of Gulf governments to act against Israel's invasion of Lebanon last summer and the deepening suspicion in Damascus that its close relationship with the Soviet Union may be the only thing which can protect it from further Israeli ambitions. Iran and Syria are additionally linked by their belief that the U.S. Government has its own designs for the Middle East and that the conservative Arab regimes are the willing tools of American policy.

Syria appears to have written off President Reagan's September 1 peace proposals and the attempts link them with the Arab League's eight-point plan agreed at the Fez summit. Seeing no hint of a programme which would enable it to recover the Golan Heights, captured by Israel in 1967 and subsequently annexed, Syria is equally determined that the PLO should not be drawn to the negotiating table on an American-sponsored plan for the West Bank and Gaza.

With Israel still firmly entrenched in Lebanon and accelerating the pace of Jewish settlement in the West Bank, it would take an extremely courageous King Hussein of Jordan to press the pace of negotiation, especially as he already earned Syrian hostility with his enthusiastic commitment to Iraq.

Thus, while the threat to Iraq, Jordan, Saudi Arabia and the Gulf states is sustained through the prosecution of the Gulf War, Syria will feel slightly more comfortable about the risk of those states co-operating with Washington on a solution to the Palestine issue which is not deemed to meet the requirements of Damascus, or indeed the Soviet Union.

President Saddam Hussein in Baghdad has meanwhile been forced into a succession of political volte-faces. He now offers himself as the protector of the conservative Arab monarchies which he once openly despised, has offered to re-establish diplomatic ties with Egypt, which he denounced as the ultimate traitor to the Arab cause, and even hints obliquely at eventual recognition of Israel which all too recently blew away his much-prized nuclear reactor. Such somersaults are the international price to be paid for the means to sustain a 13m population which is finally having to face the grim reality of a go-go economy being reduced to one which may have to exist on a war-footing for years to come.

This prospect is causing deepening alarm in neighbouring Gulf countries. Quite apart from the ever-present risk of the fighting spilling over on to their territory — Kuwait has suffered three air attacks—the payments to Iraq are imposing a heavy burden on already reduced oil revenues. While Saudi Arabia, with its massive reserves estimated at $150bn is well enough cushioned, Kuwait and the UAE are showing extreme reluctance to make further payments.

The threat of sharply lower oil prices coupled to the military and political ambitions of Iran offer new challenges to the political leaderships of those countries for whom assured and increasing wealth has been a critical element in ensuring stability.

● President Saddam Hussein of Iraq (left): without financial support from Saudi Arabia and Gulf allies, his regime could crumble swiftly

President Hosni Mubarak of Egypt has dispatched two senior officials to Baghdad to discuss Egypt's efforts to end the Gulf War, writes Charles Richards in Cairo.

Dr Boutros Ghali, Egyptian Minister of State for Foreign Affairs and Dr Osama el Baz, President Mubarak's political adviser, are the first senior Egyptian officials to have travelled publicly to Iraq since it led the Arab boycott of Egypt against President Sadat's peace initiative five years ago.

They went via Amman, with a message from Mr Mubarak to King Hussein. Jordan has also been increasing contact with Egypt over the Gulf War.

The visit leads to speculation that Iraq may be the first Arab country to re-establish relations with Egypt — other than Sudan, Somalia and Oman, which have maintained ties.

Egypt has been sending ammunition, spare parts and arms to Iraq since at least March, 1981. In December Dr Boutros Ghali met Tariq Aziz, the Iraqi Vice-President, in Paris. He said earlier that he would be prepared to discuss restoration of relations with Egypt.

Iraqi officials have also been calling for Egypt — as the greatest military power in the Arab world — to send troops to the Iraqi front.

Zimbabwe's prices set to rise

BY OUR HARARE CORRESPONDENT

THE 40 per cent increase in Zimbabwe's price of petrol, increased duties on drink and tobacco and a 1 per cent rise in the rate of sales tax on most retail transactions will push up prices by at least 5 per cent according to businessmen.

The business community was taken aback at the timing and size of the price increases announced by Mr Enos Nkala, the acting Finance Minister.

He announced a package of tax and expenditure increases, with spending forecast to rise by Z$86m (£57m) in the current fiscal year to June 1983, while tax revenues will rise by only Z$36m thereby widening the budget deficit to more than Z$700m.

An increased fuel price had been anticipated to accommodate the 20 per cent devaluation of the Zimbabwe dollar last December, but the 40 per cent rise is substantially more than expected. Mr Nkala explained that for the past year fuel procurement costs had exceeded the domestic price.

Cigarette prices are raised by 16 per cent to 70 cents for 30 (46 pence) while the beer price has been increased 11 per cent.

Businessmen, while accepting the need for higher fuel prices and indirect taxes are worried that the benefits of last year's devaluation will be eroded by inflation.

It is being estimated that inflation which last year was 14.5 per cent will have risen above 25 per cent by mid-year and will average 18 to 20 per cent over 1983 as a whole.

Assam edges towards elections

BY K. K. SHARMA IN GAUHATI, ASSAM

ELECTIONS are to be held in this north-eastern state next week, but you would never know. No party flags line the streets, there are no banners or posters and the capital has the air of a city under siege.

All 672 candidates are under heavy police guard and one confessed that if he held an election meeting, he could be sure of only stray dogs and policemen as an audience.

More than 30 people have been killed in the wave of violence that has gripped the state and the election will take place under the eye of army contingents, 50 battalions of paramilitary forces and thousands of armed policemen. Despite this presence, police stations are being attacked, bridges blown up and trains derailed, apparently with impunity.

Indian officials who have been drafted in to supervise the election and defy the non-co-operation movement launched by student agitators feel personally vulnerable. They speak bitterly and with justification of the "reign of terror" the students have unleashed.

The campaign is clearly successful. "Foreigners quit Assam" graffiti is scrawled in thick black strokes on innumerable walls in Gauhati. Rifle-toting paramilitary forces patrol near-deserted streets and stand guard outside Government offices, the airport, the railway station and the banks. Shops and schools are closed.

The students are determined to stop the elections to the Assam legislature and of 12 members of parliament from the state. Voting has already been postponed since 1979 because of the prolonged agitation. The students are demanding the expulsion of "foreigners" from Assam, most of them Bengali-speaking people who have migrated from Bangladesh and the Indian state of West Bengal over decades.

The students have had 23 futile negotiating sessions in New Delhi in the past three years on the "foreigners" issue. Talks with the Indian Government collapsed finally last December, mostly over the failure to agree on the cut-off point from when Bengali-speaking settlers would be excluded from electoral rolls.

The confrontation which has followed stems at least partly from the failure of the Indian Government and the national parties to tackle the nationalist upsurge in all seven states of the restive, tribal north-east. A fierce insurrection has been in progress for years in such states as Mizoram, Manipur and Tripura and is only under control in Nagaland because of the presence of the army.

The Assam students do not consider themselves or the people of the state to be part of the national mainstream. There is no demand for secession, as in other north-east states, but the feeling of estrangement is unmistakeable. It is reflected in the students' decision to resist the elections and the determination of the central government to hold them.

It is not only the escalating violence which makes the election unreal. The main opposition parties, except for the Communists and Marxists, whose long-term hope is to cash in on the confusion and capture power, as in nearby Tripura, have boycotted the election. Mrs Indira Gandhi's Congress (I) Party is thus certain to win Assam if the election is held.

This will be at tremendous cost. The main reason for the agitation is the Assamese fear that they are losing jobs to the Bengalis and being swamped by them. They have thus called up the oil weapon which may have a major impact on the national economy.

With two refineries already closed because workers are staying away and the third under threat, the students are now putting pressure on workers producing and exploring for crude, 3m tonnes of which come from Assam's oilfields. If production comes to a halt, as it did in the first phase of the student's agitation in 1979 and 1980, the loss of nearly $1bn a year in revenue could be critical for India.

Once production is stopped, it may not begin again. The current non-co-operation movement is meant to last until the elections end on February 21, but the mood of the students is such that they are almost certain to continue if the election is held.

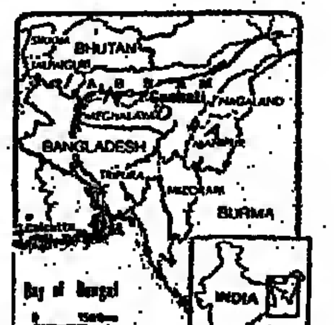
The Indian Government is in a dilemma. It cannot give in to the students and postpone the elections, because President's rule — direct government from New Delhi — cannot be extended any longer. Unless a "popular" Government takes power, there will be a constitutional crisis. At the same time, it cannot accept demands to deport "foreigners" without creating a major refugee problem.

The alternative is as bleak. Holding the elections means more killings, more arson, sabotage and looting with no assurance that the outcome will be accepted. If anything, the militant students will be further alienated. Their determination to save Assam for the Assamese could force them to resort to even more destructive action in future.

Nine people were killed in clashes with police yesterday in six separate incidents in Assam. Three more died in a bomb explosion in Nowgong district, bringing the death toll in the student non-co-operation movement to 35 since February, writes K. K. Sharma in Gauhati.

Reports coming into Gauhati said agitators assaulted Congress (I) candidates, burned bridges and looted an armoury. Mrs Indira Gandhi is to visit the area today.

Following strikes by workers in refineries, factories and offices, the government yesterday announced it had invoked the Essential Services Maintenance Act to ban strikes in Assam from February 15. Under the act, defiance can lead to detention without trial for up to three months.



Shultz in pledge on Vietnam

HONG KONG — Mr George Shultz, U.S. Secretary of State, said yesterday the U.S. would continue its policy of seeking to isolate Vietnam as long as it backed the Heng Samrin regime in Kampuchea.

Mr Shultz, winding up a 12-day Asian tour, said Vietnam's behaviour "is outside the pale."

The Secretary of State said Vietnam had isolated itself by its actions, both economically and in the United Nations, where a majority has repeatedly voted to recognise the Khmer Rouge government overthrown by the Vietnamese-backed forces of Heng Samrin.

The U.S. supports a three-member opposition coalition headed by Prince Norodom Sihanouk, whom Mr Shultz met in Peking during his tour.

Of the Vietnamese, he said: "their behaviour is outside the pale. We oppose what they are doing, and I do not think there is anything to be gained by changing our stance in that regard."

Mr Schultz said the U.S. and China shared the objective of getting the Vietnamese out of Kampuchea

Nippon Steel plans redundancies

TOKYO — Nippon Steel, Japan's largest steelmaker yesterday announced its second retrenchment programme which would affect workers at five of its nine plants.

The programme, subject to approval by the company's trade union, will be the first in five years to affect rolling mills as well as blast furnaces at factories throughout the country.

The spokesman said the company plans to implement it "step-by-step." It carried through its first rationalisation programme last autumn, which led to suspension of three blast furnaces.

Some 300 people are expected to become redundant as a result of the latest cuts. All such workers will be offered new assignments within the same factory, a spokesman said.

● Japan's five opposition parties yesterday submitted a joint draft resolution calling on former Prime Minister Kakuei Tanaka, on trial in connection with the Lockheed bribery scandal, to resign from Parliament.

Last week, the major opposition Japan Socialist Party joined three centrist parties in submitting a resolution urging Mr Tanaka to quit after a similar call by the Communist Party. But all the parties withdrew their resolutions to submit the joint resolution.

—Agencies

Japscam misunderstandings

Continued from Page 1

body disputes that Japan has been an avid pursuer of technological expertise, or that Silicon Valley is a nest of industrial espionage with information for sale to the right bidder. But, prior to Japscam, the only previous example of the Japanese being found out was in 1979 when Mitsubishi Plastics admitted illegally acquiring the secrets of polyester film processing from Celanese, and was fined in a U.S. court.

Much the best account of how the Japanese go about bridging the technological gap was provided last September in an interview with the prominent Japanese magazine, Bungei Shunjyu, by Mr Tairyu Kobayashi, president of Fujitsu, Japan's leading computer company.

Mr Kobayashi said that commercial reality for all international computer companies was adapting to what IBM produced and that the shorter the time lag the better.

He agreed that the Japanese Government had been of great help to the national computer industry, but pointed out that Fujitsu had gone a long way to solving the IBM problem by hooking up in 1973 with Amdahl Corporation, the U.S. company run by Mr Gene Amdahl, the brilliant former IMB engineer. As similar international cross-fertilisation is now evident throughout the Japanese computer industry.

Yet for all the protestations of misunderstanding there are increasing signs that Japan is drawing closer to the rest of the world.

Within hours of Hitachi accepting plea bargaining in California, a very familiar-sounding case surfaced in Tokyo.

Niingata Engineering, the prominent integrated machinery manufacturer, went to court to try to restrain four of its previous employees who have set up their own software firm and who are dealing in what Niingata claims to be patented computer aided design systems that the four had helped develop.

Japan, it seems, is no more an island than Silicon is a valley, even if public perception has not yet caught up with the fact.

هكذا منه الأصل

AMERICAN NEWS

'Tax freeze' plan wins bipartisan Congress backing

BY ANATOLE KALETSKY IN WASHINGTON

A PLAN for alternative tax increases from 1984 onwards to replace President Ronald Regan's budget proposal for \$145bn (£94bn) in "standby" taxes between 1985 and 1988 is gaining bipartisan support in Congress.

The plan calls for a "freeze" on all tax cuts currently legislated for 1984 onwards, including the controversial index-linking of personal income tax brackets which is due to begin in January 1984. The 10 per cent personal tax cut which takes effect in July this year would be retained. The idea of a tax freeze to match the spending freeze demanded by President Reagan has been put forward by Mr Dan Rostenkowski, the Democratic chairman of the House of Representatives Ways and Means Committee.

As all tax legislation originates in the Ways and Means Committee, Mr Rostenkowski has been expected to take the lead in presenting the Democratic party's alternative to President Reagan's tax plans, and his proposal is believed to have the approval of the Democratic leadership.

Significantly, key Republican leaders in the Senate have also expressed interest in the plan. Senator Robert Dole, chairman of the Senate Finance Committee, described the plan as "sound and sensible," while the office of Senator Pete Domenici, chairman of the Budget Committee, said the senator was "awfully pleased—it really is an attempt to compromise."

Mr Edwin Meese III, U.S. presidential counsellor, says he fully expects Ronald Reagan to seek re-election in 1984 and predicts he will win. Mr Meese spoke against a background of mounting pressure from inside the Republican party on Mr Reagan to clarify his position.

However, the essence of the tax freeze plan—the repeal of indexation—is totally unacceptable to President Reagan.

The President's deputy press secretary yesterday praised Mr Rostenkowski as a "strong voice of bipartisanship" in Congress but stressed that the President remained "firm on indexing."

The White House is still intent on trying to push through the standby taxes, which would include a temporary surcharge on income tax and a tax on oil production and imports. Congressional observers give the standby taxes little chance of success.

Decision on MX missile basing system delayed

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

PRESIDENT Ronald Reagan's special commission on strategic forces is having difficulty finding an acceptable basing plan for the controversial new MX missile and has been granted a one-month extension of its February 18 deadline for reporting to the White House, Administration officials said yesterday.

A majority of the 11-member commission was said to oppose Mr Reagan's plan to deploy 100 of the missiles close together in the so-called "dense pack" formation. Other options, which the commission discussed with Mr Reagan for the first time yesterday, could have problems winning congressional approval.

Officials said the commission was studying the possibility of a two-phase solution, under which up to 50 missiles would initially be installed in existing Minuteman silos. The second phase would include a number of longer-term proposals, such as basing the missiles deep underground and studies of a new mobile "mini-missile" with only one warhead, against the MX's 10.

An earlier proposal by Mr Reagan to use existing silos, at least temporarily, ran into strong congressional opposition on the grounds that it did not solve the problem of the vulnerability of U.S. land-based missiles to Soviet attack.

The commission apparently believes some of this opposition could be blunted if research continued into "superhardening" existing silos.

The mini-missile, which could be transported on special armed carriers or by helicopter, has won some support in Congress. Its opponents point out, however, that it could not be ready before 1990 and that as many as 3,000 to 5,000 missiles might be needed to counter the Soviet threat.

Deployment on such a scale would fly in the face of Mr Reagan's attempts to negotiate significant reductions in strategic weapons with the Soviet Union.

In another twist to the argument, the army announced it had test-fired a new anti-ballistic missile (ABM) designed to intercept incoming missiles more than 60 miles high. It would not say whether the test had been successful, only that the results were being analysed.

Academics warned over links with business

BY PAUL BETTS IN NEW YORK

THE UNIVERSITY of California, one of the leading research institutions in the U.S., has warned a number of its professors and research project managers about possible conflicts of interest between their academic work and their ties with industry and business.

Since April, professors at the huge state university have had to disclose any personal financial interests which relate to their research. The first 2,500 disclosure statements from academics showed there were 113 cases of potential conflict of interest.

Mrs Afton Crooks, the university's spokeswoman, said a dozen professors had been sent formal letters cautioning them to ensure the interests of the university and the freedom of research remained their priorities.

The financial interests of most of the academics involved modest sums of money, with the exception of one professor who received \$10,000 last year from industry.

Mrs Crooks said the decision to send out the letters reflected the growing debate about the relationship between industry and academic research.

She explained the debate had intensified recently because universities were now looking for new sources of funds to replace federal government funding which had declined under the Reagan Administration.

At the same time, industry has been showing intense interest in tapping university research in biotechnology and microelectronics, developments which have to a large extent been pioneered in California.

With some grants from industry involving several millions of dollars, most major universities have felt it necessary to warn researchers of the dangers of conflicts of interest. There have been some cases of students complaining that professors have withheld publications or results of research because of their ties with industry.

Mexican hopes of curbing inflation suffer setback

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICO'S hopes of reducing the inflation rate to 50 per cent this year from 98.8 per cent in 1982 have been dashed by the central bank's announcement that prices rose by 10.9 per cent in January compared to 10.7 per cent in December.

Finance officials now believe a more realistic inflation rate for the year will be 60-70 per cent—the range foreseen in Mexico's austerity programme with the IMF.

The Government, however, has been insisting the target is 50 per cent.

The Bank of Mexico said the January increase was largely due to the rise in VAT and other charges, including electricity.

The bank believes inflation will now start to come down because of its tight monetary policy.

Mexico has committed itself to reducing its public sector budget deficit from 16 per cent of gross domestic product in 1982 to 8.5 per cent this year.

Trade unions, most of them closely allied to the ruling Institutional Revolutionary Party, may now try to bring forward the extra 12.5 per cent pay increase promised for July because prices are rising faster than expected.

The legal minimum wage, the basis for collective bargaining, increased by only 25 per cent in January, a substantial cut in real terms, but a further 12.5 per cent rise was set for July.

Canadian Pacific has won its fight to abolish the cut-price 'crow rate' for grain, **Christian Tyler** reports

Why prairie farmers are riled about the railways

WHEN FOUL weather ruins his wheat crop, the Canadian prairie farmer shakes his fist at the sky and cries: "God *damn the CPR!*"

The Canadian Pacific Railway Company (CPR) has been an object of suspicion and abuse almost since the day of its creation in 1881, when it received a government grant of \$25m and 25m acres of land to help it lay the 3,000-mile track which would unite the young confederation.

In the eyes of many farmers, the CPR is just too big, rich and greedy. Now, some are cursing again, because the company—now CP Rail—has won a 10-year fight to abolish the rate at which the railways have been compelled, for most of the last 86 years, to transport prairie grain.

Mr Pierre Trudeau's Liberal Government has decided that, despite all the farmers' protestations, it is time to correct an anomaly which allows farmers to ship their grain east to Thunder Bay on Lake Superior or west through the Rockies to the port of Vancouver for half a cent per tonne-mile: a fifth or less of the commercial rate.

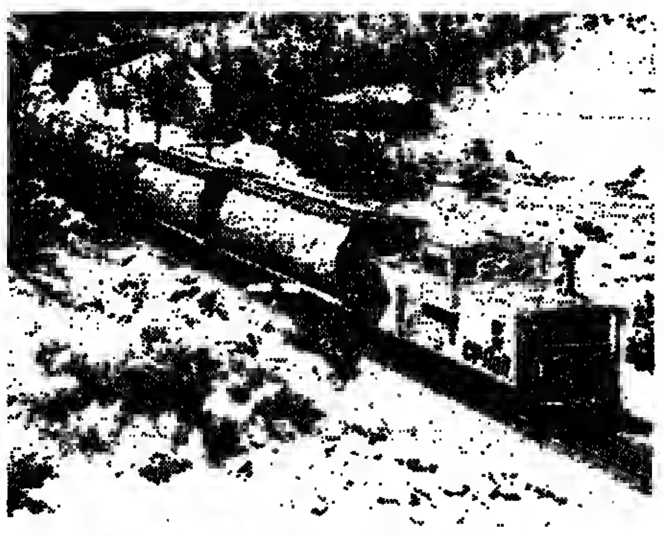
The readiness of the Liberals to take such a drastic action may be due to the fact that they failed to win a single seat west of Winnipeg in the last election.

Unpopular as the decision may be on the prairies, it lifts a millstone from around the railways' neck and should open up the important export line to the Pacific.

The Crow rate, as it is called, was the CPR's *quid* pro quo for a \$3.4m federal grant back in 1897 to build a line over the Crow's Nest Pass in the Rockies, south of its main east-west track.

But in 1925, the rate was statutorily extended to cover shipment on 20,000 miles of railway owned by both Canadian Pacific and the state-owned Canadian National Railway (CNR).

Reform of the Crow, by means of legislation promised for the next parliamentary session, should trigger off a \$16.5bn (£8.7bn) capital spending programme by the two major railways over the next decade. In the CPR's case, relief for its grain freight losses will enable it to go to tender on the biggest engineering project conceived since its transcontinental line was built.



A Canadian Pacific grain train clambers through the Rockies.

To ease the worst bottleneck on the spectacular mountain section of its line between Calgary in Alberta and Vancouver on the Pacific coast, CPR proposes to build a nine-mile tunnel under Mount Macdonald in the Selkirk range.

At present, freight trains—often more than a mile long—have to take on pusher locomotives to help them clamber gradients in the Rogers Pass of up to 2.6 per cent (a 2½ ft rise every 100 ft of track) into the five-mile Connaught tunnel built in 1916.

The new tunnel would enter Mount Macdonald below the old and emerge beyond it, reducing the gradient to 1 per cent. This work, with associated double-tracking, 11 new bridges and a further one-mile tunnel, will alone take around \$600m of the \$7.6bn which CPR has identified as the capital cost of meeting future demand on a vital export link.

The two national railways estimate their joint net losses on grain freight—the "Crow gap"—at \$400m a year. What the grain farmers pay provides only 3 or 4 per cent of total revenue, while grain accounts for up to 21 per cent of freight carried.

But existing federal subsidies—provision of hopper cars to carry the grain and money to keep open uneconomic branch lines to the farmer's door—raise that revenue percentage to 10 per cent for CPR and 8 per cent for the CNR.

Reform of the Crow not only puts the railway under an obligation to upgrade its track and so ease grain and mineral exports—Canada is a major supplier of grain to China, the Soviet Union, Japan and Korea, with more than 10m tonnes shipped through Vancouver last year—it will also have repercussions in the home market.

Faced with higher freight charges, farmers may sell more grain locally, to the benefit of the Albertan livestock breeders who have watched the cattle and pig fatteners and meat packagers of Ontario and Quebec grow rich on cheap animal feed.

That is why part of the complicated package announced last week gives eastern farmers a subsidy to help them expand their own feed grain businesses.

The Government is to spend \$3.7bn under the package by mid-1986 to raise the grain rate to twice its present size. By the end of the decade, the rate could be five times its present level.

An annual subsidy of \$651.6m would be made to the railways and the farmers; \$250m is earmarked for western suppliers of equipment to the railways and for Eastern farmers, while Western farmers would get a \$204m "agricultural adjustment" payment.

While the new Act is being drafted, the railways will get an interim payment of \$313m for their grain handling losses, starting in the next crop year. CPR says the interim package will enable it to spend 75 per cent more in capital outlay this year than would have been possible from its own funds.

WORLD TRADE NEWS

Singapore Airlines plans $400m outlay to update fleet

BY KATHRYN DAVIES IN SINGAPORE

SINGAPORE AIRLINES (SIA), which already proudly boasts the youngest fleet of any major world airline, is contemplating purchase of aircraft worth upwards of $400m to replace the airline's remaining DC-10 and Boeing 727s, currently being phased out. As of September 1, 1982, the average age of SIA's 27 aeroplanes was three years.

SIA is considering 10-12 medium range aircraft and is believed to favour the Boeing 757 and 767 for its new aircraft, although the Airbus A-310 and A300-600 are also in the running. SIA is already committed to the acquisition by 1986 of eight stretched upper deck 747s and five Airbus A-300 aircraft. That deal, announced 14 months ago, is worth $1.4bn.

SIA is owned by the Singapore Government through its holding company, Temasek. Last year the airline raised S$400m through an issue of additional share capital to support its planned expansion programme. At that time it was said that the airline intended to improve its net debt-equity ratio from 3:1 to 1:1 in 1986. SIA's total investment in aircraft and related equipment, but not including its stake in Changi airport, is S$3bn ($1.4bn) — from April 1981 to March 1986.

SIA is one of the few world airlines still making a profit, but its revenues are being adversely affected by the strength of the Singapore dollar, which has sharply reduced the value of its foreign currency earnings.

SIA will clearly hope to purchase any new aircraft by means of the kind of attractive financing package along the lines of the one arranged for the purchase of the five Airbuses last July. A loan of S$186m, 85 per cent of the contract price, was made available in three currencies at fixed-interest rates over a two-year repayment period.

A recent visit to Singapore by senior officials of the U.S. Export-Import Bank may have bolstered SIA's enthusiasm for Boeing.

Boeing offers new version of 767 jet world-wide

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BOEING of the U.S. is now offering airlines world-wide a new stretched-fuselage version of its 767 semi-wide-bodied twin-engined medium-range jet airliner, to carry between 254 and 290 passengers, compared with the existing 220 passengers.

Called the 767-300, the aircraft will be able to carry its full load over distances of 4,250 statute miles. The fuselage will be lengthened by 11ft in from the existing 767, and the landing gear and other parts of the structure will be strengthened.

The new aircraft will join the existing medium-range standard 767, and the "Extended-Range" (5,600 miles) versions of the aircraft already on offer. Boeing has orders for 177 of its 767s.

The decision to offer the stretched 767 will give formidable competition to Airbus Industrie, whose A-310 twin-engined wide-bodied jet of up to about 220 seats has been giving Boeing trouble in many world markets.

Airbus is also already planning development of the longer-range version of the A-310, the Series 300, to compete with the 767 ER. Total orders for the A-310 stand at 102 aircraft, excluding options.

Boeing is planning to make the 767-300 available from the spring of 1986.

● Middle East Airlines of the Lebanon will start regular Boeing 747 Jumbo jet flights between Beirut and New York, via Paris, from March 1, and between Beirut and Manila from March 3.

The New York service will be three times weekly each way, leaving Beirut on Tuesdays, Thursdays and Saturdays, returning from New York on the following days.

The Manila service will leave Beirut on Thursdays and Sundays and leave Manila on Mondays and Fridays.

Diplomatic row raises fears in Rotterdam

By Walter Ellis in Amsterdam

GRAIN HANDLERS at the port of Rotterdam are worried that they are to be the victims of a continuing diplomatic dispute between the Netherlands and the Soviet Union.

Last month, the Dutch Government turned down a Soviet request for a consulate in Rotterdam, suggesting instead that Embassy staff from The Hague should carry out the required work and that Soviet managers of joint Soviet-Dutch trade ventures should open offices in the port area.

The grain trade now complains that not a single Soviet grain ship has called at Rotterdam—or any other Dutch port—since November. Between November 1981 and May 1982, Graan Elevator Maatschappij (GEM), the largest Dutch trader, alone handled 1.4m tonnes of grain bound for Russia.

At present, however, of ten Soviet grain vessels headed for Western Europe, not one is bound for the Netherlands. Most, instead, are going to Antwerp or Hamburg.

Mr Tom Jansen, an executive of GEM, said yesterday that he and other traders had been hoping for months for an end to the dispute and that representations to this end had been made to the Government and to the port authority.

Unfortunately, the indications were that Moscow was not willing to give up its application without a struggle.

Moscow claims that the arrival and departure of more than 2,000 Soviet ships a year and the presence annually of some 60,000 Russian sailors means that a proper consulate in Rotterdam is essential.

The Dutch, anxious that the world's largest port should not become a centre for possible espionage, have said "no."

Mr Viktor Kaletsky, the Soviet Ambassador to The Hague, told a gathering of Dutch businessmen in November that a lack of progress on this issue could have serious consequences for Dutch-Soviet trade, and the port of Rotterdam in particular.

Despite subsequent denials that any boycott was threatened, this message would appear to have been at least in part borne out by events.

Mr Jansen expects Soviet imports of grain this year to reach 33m tonnes, mostly from Canada, the U.S. and Argentina.

Harley-Davidson hopes for breathing space

BY PAUL TAYLOR IN NEW YORK

HARLEY-DAVIDSON Motor Company, the last U.S. motorbike manufacturer, believes it may have "won a breathing space."

Ten days ago, the U.S. International Trade Commission ruled in Harley's favour and recommended that President Ronald Reagan impose a five-year package of protective import duties on motorcycles with engines larger than 700 cc.

President Reagan has 60 days to decide on the recommendation, and Congress has a further 90 days after that to agree with—or overrule—his decision.

For Harley the ITC's decision by a 2-1 vote, is a milestone in its struggle to survive.

Imports have dominated the U.S. market for smaller motorcycles for decades. The four major Japanese manufacturers, Honda, Kawasaki, Suzuki and Yamaha, have led the onslaught.

By 1980, sales of Japanese motorbikes were claiming 98 per cent of the U.S. market for bikes between 291 cc and 790 cc. The U.S. market is second only in size to that in Japan but has been shrinking from a peak of 1.2m new registrations in 1973 to around 700,000 last year.

Faced with this shrinkage and near-saturation penetration of the lightweight end of the market, Japanese manufacturers turned their attention in the late 1970s to the "superbike" or heavyweight end of the market—Harley's traditional preserve.

Harley-Davidson, renowned as a supplier of high-speed motorcycles to police departments, has been building bikes since the turn of the century. In 1969 it was bought by AFM Incorporated, the U.S. leisure group. AFM pumped $60m (£40m) into Harley, and boosted production to 50,000 units a year.

Harley-Davidson has long been renowned as a supplier of high-speed motor-cycles to U.S. police departments

But in 1978 AFM recognised realities and halted small bike production altogether, to concentrate on the manufacture of Harley's famous "big bikes" equipped with 900cc-plus engines—and a price tag to match.

Two years later, with the Japanese manufacturers moving into the big bike market, AMF put the division up for sale. The result was a $65m management-led leveraged buy-out in 1981. In the previous year the division had pre-tax earnings of $12.3m on sales of $289m.

Since the purchase, however, the figures have soured. Sales have slumped to just over $200m a year and for the past two the company has been making "sizeable" but undisclosed losses for the first time in its history.

Harley's share of the total U.S. market has fallen from 6.1 per cent in 1977 to just 4.5 per cent last year. But more significantly its share of the market for bikes over 700cc has fallen from about 21 per cent to 14 per cent over the same period. Last year about 118,000 bikes over 700cc were sold in the U.S.

The company has long attributed its declining sales to lower priced Japanese imports. In 1978 it won a U.S. Treasury anti-dumping petition, but no penalties were imposed.

What has particularly concerned the company recently has been a tremendous build-up of inventories by the Japanese companies in the U.S. and a fierce price-cutting battle among the importers themselves.

In the first nine months of 1982, imports of 700cc or larger motorcycles totalled 176,164 units worth $379m compared with 149,269 units worth $346m in the 1981 period.

Industry analysts and Harley believe Japanese manufacturers have built up an 18-month inventory. The ITC accepted that the supply constituted 12 months' demand.

The question of supply was crucial to Harley's case because it brought its action under Section 201 of the 1974 Trade Act.

To be successful under 201—the so-called "escape clause,"—a manufacturer must satisfy the Commission on three conditions:

● There has been a substantial increase in imports;

● That there has been a serious injury to the U.S. manufacturer or that there is a serious threat of injury;

● That the increase in imports is the "substantive" cause of the injury or threat of injury.

Harley won the argument on the basis that the inventories represented the threat of serious injury. The ruling is one of 10 successful applications out of 47 brought under the escape clause and the first for several years.

As a result, the Commission recommended that the existing 4.4 per cent import on motorcycles over 700 cc should be increased to 49.4 per cent in the first year of an "import relief" programme designed to help Harley increase its output and sales.

Under the proposal, hailed by Harley as "just what we had requested," the duty would drop to 39.4 per cent in the second year, 24.4 per cent in the third year, 19.4 per cent in the fourth year, and 14.4 per cent in the fifth year before returning to 4.4 per cent.

The duty would apply to all imported bikes over 700 cc including those brought in from European manufacturers. The European manufacturers have about 1.5 per cent of the U.S. big bike market—a share which Harley said after the ruling that it did not consider to be "a threat."

However, the company said it had "no choice" under the escape clause but to involve all superbike importers.

The recommendation, if endorsed by the Administration, would also have an uncertain impact on the two Japanese companies which have set up U.S. manufacturing affiliates in the U.S.

Kawasaki established a manufacturing plant at Lincoln, Nebraska, in 1975 and Honda followed with its Marysville, Ohio, plant in 1979.

Harley brushes aside suggestions that one reason why its own products have lost market-share is because Japanese manufacturers have introduced high technology to their bikes.

But it does accept that production systems have fallen behind that of its competitors resulting in high relative costs. Most Harley bikes cost between $1,500 and $2,000 more than similar Japanese models.

Harley has, however, spent $25m on capital investment recently and has been working on a new line of bikes. The company said the ITC recommendation, if enforced, "would give us a breathing space to get the new line into production."

Philips wins £12m French computer-terminal order

PHILIPS, the Dutch electrical giant, has won a Fl 50m (£12m) order from the French Posts and Telecommunications Ministry for the supply of 100,000 mini-computer terminals to replace traditional telephone books and business guides.

French telephone subscribers involved in the experiment will be supplied free of charge with visual display unit (VDU) screens and keyboards and will be able to call up numbers and basic information about business without recourse to books or the operator.

All the information at present available in standard reference books and provided by the PTT will be programmed into a central computer to which each subscriber will be linked.

Philips is also to supply PTS 6000 terminals to New Zealand to speed communication between more than 600 main post offices. The PTS 6000 system was developed by Philips data systems in Sweden and is already installed in more than 70,000 locations.

Bonn's Comecon deficit soars

By Leslie Collet in Berlin

WEST GERMANY'S trade deficit with Comecon soared to DM 924m (£245.7m) last year from DM 269m in 1981. However, West German exports to the Soviet Union increased.

The growing deficit for Bonn resulted as East European members of Comecon slashed imports from West Germany to reduce their indebtedness to the West. East Germany and Yugoslavia are not included in the statistics.

West Germany's exports to Comecon rose 5 per cent last year, while imports from Comecon rose 11 per cent

Brock urges open market between U.S. and Asean

BY KATHRYN DAVIES IN SINGAPORE

MR WILLIAM BROCK, the U.S. Special Trade Representative, yesterday called for the gradual removal of all trade barriers between the U.S. and the five nation Asean grouping made up of the Philippines, Indonesia, Malaysia, Thailand and Singapore.

Praising what he called "Asean's open market philosophy," at a regional conference, Mr Brock said that Asean and the U.S. currently enjoyed "one of the most dynamic trading relationships in the world."

A mutual elimination of tariffs "would allow our economic symbiosis to reach its full potential," he added. Asean is America's fifth largest trading partner and the U.S. provides the largest single market for Asean manufactured goods.

Mr Brock later conceded that the total elimination of trade barriers between his country and Asean would take considerable time.

MP attacks Bill with 11-hour speech

BY PETER RIDDELL, POLITICAL EDITOR

THE GOVERNMENT will next week seek to impose a guillotine measure to limit further House of Commons debate on the controversial Bill to end the monopoly of British Telecommunications and to permit its privatisation.

The move comes after more than 90 hours of debate in committee including three all-night sittings of MPs after which amendments are still being considered on Clause 3 of the 84-clause Bill.

The star of the marathon debate has been Mr John Golding, the Labour MP for Newcastle-under-Lyme who yesterday set new records with an 11¼ hour epic speech. With breaks for adjournments and interruptions he spoke from Tuesday lunchtime through the night and until just before the start of breakfast television yesterday morning.

This was no sudden outburst. In earlier debates Mr. Golding warmed up with short sallies lasting four-and-a-half and six hours. No one has counted the precise total, but weary MPs on the committee reckon he must now have spoken for about 30 hours – with no sign of losing his voice.

Even before yesterday's speech, the proceedings on the committee were described as "an outrageous filibuster" by Mr Kenneth Baker, the Minister for Information and Technology.

Mr Golding is a senior official of the Post Office Engineering Union. He believes that his speeches are justified to protest at the way the Bill has been handled, to demoralise Tory MPs on the committee and to demonstrate to trade unions and others outside that the Bill is being vigorously opposed.

He is not alone since there is a more general row over the extremely complicated positions on the Bill on regulation and privatisation. This controversy has been exacerbated by the publication last Monday of the Littlechild Report, on the regulation of British Telecom's profits. This will require major amendments to the Bill which Mr Stan Orme, Labour's Industry spokesman has argued will significantly change the measure. Mr Orme says this is unprecedented in the middle of its parliamentary considerations.

Hint of inquiry into water dispute

By Our Labour Correspondent

LEADERS of Britain's 28,500 striking water workers returned to the Advisory, Conciliation and Arbitration Service (Acas) last night for further talks.

Some union officials were strongly hinting that a committee of inquiry – similar to that set up by Acas last year to study British Rail's flexible rostering dispute with its train drivers – was the most likely option.

As the talks went on last night, however, it was unclear what the union response would be. Employers are insistent that any further form of third party intervention in the dispute must produce a final determination of the issues rather than just recommendations.

As the Acas talks were resumed the pattern of union occupation of some water supply and sewerage plants round the country began to emerge more clearly.

Nationally the unions claimed that about 20 plants were being held – about 12 in Wales, seven in Yorkshire, two in Nottinghamshire and one in Wiltshire.

Bush spells out U.S. nuclear flexibility in Thatcher talks

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

MR GEORGE Bush, the U.S. Vice President, confirmed in London last night Washington's willingness to consider alternatives to its "zero option" proposals for banning intermediate range nuclear missiles from Europe. But he said the U.S. insisted on achieving three objectives:

- Reducing forces to the lowest possible levels;
- Assuring equal force levels for the U.S. and Soviet Union with no "bogus counting;"
- Obtaining a verifiable agreement.

His statement, made at the end of an 11-day seven-nation tour of West Europe, was the clearest indication yet of U.S. flexibility in the intermediate range nuclear forces talks which began at Geneva at the end of 1981.

His tour had been arranged to convince Western Europeans that Washington was serious about reaching arms control agreements with Moscow.

Mr Bush, who was speaking to the Royal Institute of International Affairs, said that while the U.S. wished to eliminate a whole generation of nuclear weapons, the Soviet counter-proposals were only aimed at "decoupling" Western Europe from the protection of the U.S. nuclear umbrella.

Mr George Bush

Mr Yuri Andropov, the Soviet leader, recently offered to reduce the number of Soviet SS-20s missiles deployed against Nato to the level of the French and British nuclear deterrent forces.

But Mr Bush, who had a working dinner last night with Mrs Margaret Thatcher, the Prime Minister, gave reasons for refusing to include the British and French forces in the Geneva talks.

Missile order 'will open jobs for 2,000'

By Our Defence Correspondent

THE PROSPECT of "major mass production orders" for British industry and the creation of more than 2,000 jobs over 10 years in economically deprived areas were held out yesterday as reasons why the British Government should opt to buy new American-designed missiles.

Lucas Aerospace, in partnership with Texas Instruments, the U.S. missile manufacturer is bidding against the British Aerospace Dynamics Group for a Royal Air Force contract said to be worth £200m to £300m.

Yesterday, Dr Alan Watkins, managing director of Lucas, for the first time publicly put the case for Harm – acronym for High Speed Anti-Radar Missile – which Lucas proposes to build for the RAF on a 50-50 share with Texas Instruments.

The U.S. company would be responsible for the guidance system, while Lucas, or subcontractors in the UK would build the rest of the missile.

Dr Atkins said the missile could be in service "much earlier than any alternative" system.

Fight for vital order, Page 9

Ford gives warning on performance to its Halewood plant

FINANCIAL TIMES REPORTER

MR BILL HAYDEN, vice-president of Ford Europe, said yesterday that there were no plans to close the company's factory at Halewood, Merseyside, although the plant's future depended on management and workers working together to solve "serious problems."

Ironically, while he was holding talks with Merseyside County Council, the Halewood plant was suffering more problems with the second day of an unofficial strike. About 550 foremen and supervisors are in dispute over training schedules.

A management spokesman said last night that, over the two days, about 1,600 Escorts, Britain's top-selling car, had been lost, their showroom value was £8m.

Mr Hayden had agreed to the meeting with the council after reports that the closure of Halewood, where more than 9,000 workers are employed, was being considered by Ford.

The meeting discussed Halewood's poorer performance in producing Escorts than that of its sister plant at Saarlouis, West Germany. Mr Hayden said: "The Halewood body and assembly operations are not competitive and the solution virtually dictates itself. It means achieving our production schedules day in, day out – and with a substantial reduction in the workforce."

He added: "As long as we fail in either of these objectives, we shall continue to lag behind our Continental plants and become even less competitive with the world at large."

The meeting was told that yearly losses of cars at the plant, because of various forms of industrial action, exceeded 10,000.

Mr Hayden warned: "In recent years our high cost levels have been hidden behind the relatively high prices in Britain compared with the Continent. Now that this is coming to an end, it threatens our ability to generate the cash flow essential for investment in new products and plants. In fact, unless there is a radical improvement at Halewood, there is a real danger that costs will actually overtake prices.

"In the hard world of the motor industry there can be no long-term guarantees, a fact which applies as much to the Escort's replacement as to any other future project," he said. "We have to talk in terms of plans and intentions and those in turn depend on performance in the years immediately ahead."

Barclays to drop its factoring business

BY WILLIAM HALL, BANKING CORRESPONDENT

BARCLAYS, Britain's largest banking group, is pulling out of the £2.3bn-a-year UK factoring market and closing its loss-making subsidiary, Barclays Factoring.

The bank moved into the factoring business 10 years ago and its operation, based in Basingstoke, is the fifth biggest in the UK. Last year its turnover amounted to £140m.

There are nine major factoring companies in the UK. They provide their clients with three closely integrated services covering sales accounting and collection, credit management which can also include protection against bad debts, and the availability of finance against sales invoices.

Factoring is a relatively new financial service in the UK and aims at improving company cash flows by enabling them to exchange their invoiced debts for ready cash. The market has been growing rapidly in recent years and in 1982 turnover rose by 17 per cent to £2.3bn, involving 4,372 clients.

However, factoring companies have been hit by the recession. This has reduced clients' turnover and increased their bad debts. According to the Association of British Factors, bad debts absorbed on behalf of factors clients doubled to £4.5m last year.

Barclays Factoring lost money in the last two years but was beginning to enjoy the benefits of the upturn and the decision to close the company has come as a shock to the staff of about 100. The bank is expected to offer alternative jobs for some staff but it is not guaranteeing that there will be no redundancies.

The factoring portfolio is expected to be taken over by Anglo Factoring, a small Brighton company, which is 75-per-cent-owned by J. Rothschild. However, the majority of staff are expected to have to look for other jobs.

Mr J. D. Burton, head of Barclays Factoring, said yesterday: "In a recessionary climate factoring companies have to live with the problems of their clients. A decline in client turnover has an immediate impact on a factoring company."

British way of life threatened by milk

BY JOHN HUNT, PARLIAMENTARY STAFF

IT SEEMED that it was going to be an acrimonious day in the House of Commons yesterday, with debates of two Labour motions attacking the Government's unemployment record in the East Midlands and the North.

Then suddenly, the spirit of consensus descended on the Commons and MPs of both sides united in condemning yet another foreign threat to the British way of life.

The latest menace comes in the shape of European Continental – mostly French – Ultra Heat Treated (UHT) long-life milk. Mr Peter Walker, the Agriculture Minister, had imposed a temporary ban on the product following the ruling of the European Court this week that Britain had acted illegally in trying to keep it out on hygiene grounds.

Mr Roy Hughes, a Labour MP, complained that the Community's attempt to force its "so-called milk" down the throats of British people was threatening the UK's own excellent milk, which had been superbly delivered over many years in all weather conditions.

That milk, however, although fresh and delivered to the doorstep, now costs about 22p a pint, several pence more than the UHT milk sold in supermarkets.

Mr Douglas Hurd, the Foreign Office Minister with responsibility for EEC matters, instantly made clear to Mr Hughes that the Government was taking a firm patriotic stand on the issue. "No one is compelling you or anyone else to drink this blasted stuff," he growled.

Temperatures rose still higher as Mr Walker made a statement on the EEC Council of Agricultural Ministers meeting which he attended on Monday and Tuesday. In this trade war, the stalwart British milkman has apparently replaced the Falklands paratrooper as the popular folk hero.

As far as Mr Walker was concerned, the imported long life milk was not fit for his dog an Old English sheepdog named Bombardier Blunderbuss. Many a time he had boasted that the family pet was happy to consume that honest domestic product Lymeswold cheese. But imported UHT milk – never!

The Labour agricultural spokesman, Mr Norman Buchan, normally eager to swop insults, was in agreement with Mr Walker. With the vision of French milk tankers appearing on the horizon, he seemed to invoke the French slogan at the battle of the Marne, "They shall not pass." His party would not tolerate any interference with our dairy industry. Imports of long-life milk could have serious consequences for Britain's door-to-door delieveries.

Mr Walker agreed heartily that the British would not tolerate a threat to the UK's unique system, which had provided quality milk on a regular basis, and was also a form of social service to the elderly. MPs gave cries of support.

Not to be left out, Mr Robert Maclennan, for the Social Democrats, described imported UHT milk as "utterly horrible tasting."

Once more the minister agreed. UHT milk had been used in shops as a loss leader (a product sold at no profit to attract customers) and even then it had not been a success.

In fact, he suggested it would be a good idea to give the French housewife a chance to taste good English milk.

One of the few dissenting opinions came from Mr Dale Campbell-Savours, an independently-minded Labor MP. He suggested the minister should drop all this talk about hygiene and admit that Britain was trying to protect its farmers.

State borrowing may undershoot target again

BY ROBIN PAULEY

THE GOVERNMENT made a net repayment of £1.8bn in January, bringing the cumulative central government borrowing requirement total since April last year to £8.69bn and making an undershoot of the Government's Public Sector Borrowing target almost certain for the second successive year.

The large repayment figure is typical for January when the Government benefits from beavy payments of taxes. Most nf central government's heavy borrowing occurs in the early months of the financial year and another surplus can be expected in March, another month of substantial tax payments.

January's surplus would bave been even larger but for the success of the Government in persuading local authorities and public corporations to borrow beavily from central government through the Public Works Loans Board rather than from the banks. This inflates the Eentral Government Borrowing Requirement (CGBR) but has no ultimate effect on the Public Sector Borrowing Requirement (PSBR). The Government's target for CGBR in 1982–83 is £9.3bn.

The Government's target for the PSBR was £9.5bn in the last budget, and this was revised downwards to £9bn in November. Yesterday's central government borrowing figures from the Treasury confirm that the revised target is likely to be undershnt by at least £1bn.

Figures also show consolidated fund revenues, the biggest component of official receipts, totalled £10.2bn in January, bringing the 10-month total to £87.6bn against a forecast for the year of £82.9bn, an increase of 8 per cent on the 1981–82 nutturn.

CENTRAL GOVERNMENT BORROWING REQUIREMENT

	£m
April	827
May	1,119
June	1,201
July	673
August	1,512
September	296
October	920
November	1,901
December	2,038
January	−1,802

Source: Treasury

Consolidated fund expenditure, including spending by government departments totalled £7.4bn in January bringing the cumulative total to £72bn, compared with a budget forecast for the full year of £90.9bn.

The exteot of the switch to the Public Wnrks Loans Board is underlined by the total of £2.9bn in the 10 months to January compared with total net lending of only £419m for the whnle of 1981–82. Net lending last month alone was £212m.

● Trade Union Congress (TUC) economic committee has accused the Government of misleading the public by bnlding out the prospect of a "giveaway" budget next month while actually continuing to encourage major capital underspending in the public sector.

The committee says the economic consequences of such an underspend are "greatly damaging" at a time of recession. It said yesterday, it would seek an early meeting with the Chancellnr of the exchequer to discuss the recommendations of its economic review – though TUC leaders recognise there is little likelihood of a positive response.

GOMBA-STONEFIELD WINS BIG MALAYSIAN ORDER

A rough ride to survival

CHARLES BATCHELOR looks at how an energetic exile from Amin's Uganda, Mr Abdul Shamji, took over a rough terrain truck maker in Scotland from the hands of the receiver and is steering it towards profit.

GOMBA-STONEFIELD, the Scottish off-road truck maker built up from the ruins of its predecessor, Stonefield, has scored a ootable success with a £15m order from Malaysia for several bundred trucks.

"A lot of people got in toucb to say they thought we bad stopped trading until they beard nf the Malaysian order," commented one Gomba executive. The company has undergone a remarkable transition since it collapsed under the weight of its own ambitions in 1980.

Gomba, the diversified trading, property and industrial group headed by an energetic refugee from Amin's Uganda, Mr Abdul Sbamji, has been putting a great deal nf hard work into making Stonefield viable.

The results are now starting to come througb in a flow of small orders and the occasional big one sucb as the Malaysian order.

Gomba will not talk abnut the Malaysian deal but senior government sources in Kuala Lumpur have confirmed the contract, which was won in the face nf official policy of buying Britisb last.

The Malaysians acknowledge that the Stonefield truck and the terms Gomba offered persuaded them to place the order with the UK company in December despite competition whicb included Mercedes Benz, Volvo and Hino of Japan.

Gomba believes Stonefield can succeed by thinking small. The company, which it bought from the receiver in April 1981, still operates from a modern industrial estate at Cumnock, a small town an bour's drive south of Glasgow. But production, which was spread over three large factories covering 130,000 square feet has beeo reduced to one hall of 60,000 sq fts.

The flow-line system set up by Stonefield to produce 3,000 vehicles a year has been stripped out and replaced by groups of three or four men wbo assemble a complete vehicle.

The buge dip tanks for treating and painting body parts have been replaced by a small paint spray sbop. Gomba-Stonefield currently bas a workforce of 58 – 50 nf them productinn workers – compared with a peak nf 150 under the old management. All these changes have led to considerable cost savings.

"The capacity was quite phenomenal," said Mr Michael Malpass, managing director of Gomba-Stonefield. "The flow-line system broke the job down into simple operations which required a large number nf work stations."

"The job was monotonous and it was difficult to pinpoint errors.. Now the men assemble a complete vehicle and take pride in it."

Stonefield's error was to design a plant to mass-produce a specialist vehicle totally unsuited to a Ford or Leyland scale of operation, Gomba believes.

The Stonefield truck was the idea of Mr Jim McKelvie, a Scottisb businessman, who believed there was a gap in the four-wheel drive market for a 1.5 to 3 tonne vehicle between Land Rover and really heavy trucks. The Scottish Development Agency (SDA), keen to develop new industry in the declining Ayrshire coalfield, backed the project with more than £4m.

Despite – or perhaps because of – lavish SDA aid the project came to grief. A failure to carry out adequate market research and the decision to build the buge Cumnock factory, which imposed crippling running costs, led to the decision to call in the receiver in July 1980.

Mr Shamji, who ran a large vehicle import and assembly company in Uganda, befnre his exile 11 years ago, believes Stooefield was a classic case nf the folly of pumping public money into a commercially poorly-researched venture.

He is bowever convinced of the potential market for the Stonefield truck now that it bas been modified by Gomba's engineers. Gomba has taken over and developed a number nf Stonefield patents for the beart of the truck, the transfer box which automatically redistributes power round the vehicle's four nr six wheels should one or more start to spin.

Gomba claims this is in advance of anything on offer from its competitors and a feature which makes driver training much easier.

Despite a fnrmidable rough terrain capacity, which Gomba tests out with tha willing help of local farmers in the Ayrshire hills, the truck can achieve 70mpb on the road.

This makes it an ideal rapid intervention vehicle for rescue services, alongside a wide range of other roles sucb as gun tractor, missile carrier, crop sprayer and platform for drilling and geological surveys.

The Gomba team are continually seeking new applications and currently have two vehicles in the U.S. where it is being tested as a unit for straigbtening scaffolding on building sites.

Until the big Malaysian contract, orders for between one and 10 vehicles were coming in "sporadically" says Michael Malpass.

The top production level achieved so far has been eight a week but the aim is to make a regular 10 a week to give an annual production nf 500 vehicles within the oext year or so. Eventually this figure might be doubled.

Pension funds criticised for negative attitude to industry

BY ERIC SHORT

MR LEN MURRAY, general secretary of the Trades Union Congress (TUC), said yesterday that the TUC bad never laid the blame solely with the financial institutions for the poor financial performance and long-term investment crisis in the UK.

However, be said, the TUC did claim that the financial institutions, by doing nothing, had strongly reinforced the vicious spiral of decline in which British industry bad become trapped.

Mr Murray was speaking on the first day of the Financial Times conference Pensions in 1983, held in London. He asked how many British companies bad to go down the drain before pension funds realised that their impassivity to current events was not in the best interest of prospective pensioners or the economy as a whole.

He emphasised that, unless pension funds were used to help to build a strong industrial base in the UK, it would be the pensinners themselves who would suffer.

The weakness in UK manufacturing industries, he asserted, stemmed far too often from the lack of confidence shown in them by the financial institutions. He refuted any suggestion of fundamental weakness in Britisb industry.

Mr Murray outlined the TUC's policy nn how the great resources of the pension funds could help to rebuild the economy and improve living standards.

The first part of this policy was the establishment of public investment agencies to provide the capital whicb the private market was either unwilling or unable to put up. He referred in particular to the need to finance the rebuilding of inner cities.

Secondly, he referred to the establishment of local enterprise boards by local authorities and urged pension schemes to support them. He also mentioned the TUC's proposal for the establishment of a national investment bank.

Mr Murray outlined the achievements of trade unions in pension schemes and emphasised the need for a pension scheme Act to drag the pension funds "out of the medieval mess into the 20th century." But he pointed out that trade unionists could do quite a lot now as pension scheme trustees.

FINANCIAL TIMES
Pensions in 1983
CONFERENCE

Mr D. W. Hardy, chairman of the Hundred Group of chartered accountants in industry and commerce and an executive director of Ocean Transport and Trading, believed companies should give more recognition to the pension and investment managers and to their influence on company costs.

Pension schemes were a large part of corporate costs – as much as 33 per cent of the salaries bill – and control was essential. Companies, he felt, should do more to maximise the long-term performance of their pension funds and he sought better disclosure of fund performance.

Mr Bill Ashley, bead of the pensions department at Imperial Chemical Industries (ICI), discussed the external influences on pension fund management. He referred to pressure for the participation of members in pension scheme trusteeship and the disclosure by pension schemes of information to members.

He pointed out that there had been considerable advances, in both membership and disclosure, purely from voluntary action by many schemes. He also referred to other factors affecting pension scheme managers – indexation of pensions, early leavers, investments, age of retirement and pressure for a pension scheme Act.

A review of pension fund investment performance was given by Mr Dugald Eadie, a partner in the stockbroking firm of Wood, Makkenzie. He showed that there were vastly different returns according to the periods over which performance was measured. Much of the criticism made against pension fund performance was based on generalisations made on returns over a specific period.

Mr John Plender, leader writer with the Financial Times, argued thet pension funds were accident-prone, being not subject to either an internal or an external discipline. Levels of activity within the funds were high, with excessive reliance being placed on the short term.

Mr Ross Goobey president of the National Association of Pension Funds, said there was a growing awareness that pensions were a costly commodity.

Mr Edward Johnston, the Government Actuary, discussed the trend in future costs of pensions in the UK. He emphasised that decisions made now on pensions were paid for by the next generation.

The current burden of 17.05 per cent of earnings paid by employees and employers into the state's pension scheme would stay around its present level for the next 20 years because of favourable demographic features.

This would be followed by a rapid escalation in costs as the earnings-related component of the pension came fully on-stream, coinciding with a dramatic drop in the proportion of employed persons to pensioners.

Mr Johnston also discussed overall pension provision from both state and occupational pension schemes. At present, about 13 per cent of earnings and benefits went to pensioners. But in 40 years' time this would have risen to 20 per cent. He warned that if the economy's growth rate remained as low as ½ per cent over this period, then the benefits of this growth would go mainly to pensioners.

Dr G. Tamburi, chief of the social security department, International Labour Office at Geneva, said that the problem of escalating pension costs had become almost commonplace in industrial societies and was not confined solely to the UK.

Pension costs were soaring for a variety of reasons. Schemes were approaching maturity, populations were ageing and economies had run into recession with a consequent lack of growth and rise in unemployment. He discussed in detail the social security provisions in four countries – the U.S., Japan, West Germany and France and the problems facing each of these countries.

Dr Madsen Pirie, president of the Adam Smith Institute, described the present UK social security system as a confused mishmash of insurance and welfare elements which often led to absurd or disastrous results.

He called for the privatisation of all social security provisions in the UK through individual insurance and pension contracts. He claimed that these would give better value than the current pay-as-you-go state schemes and he also claimed that there was a strong move towards privatisation of social security, as there was with privatisation in other spheres of government

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices nf industrial productinn, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1978=100); retail sales value (1978=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unemployed	Vacs.
1982							
1st qtr.	100.7	89.3	92	106.5	141.2	2,679	112
2nd qtr.	101.1	88.9	89	106.8	145.1	2,743	107
3rd qtr.	101.5	88.2	84	108.9	150.7	2,837	111
4th qtr.				110.7	184.5	2,913	115
March	101.7	89.8	89	106.6	142.0	2,688	111
April	101.3	89.1	97	106.3	145.9	2,715	116
May	101.6	89.5	94	106.9	145.2	2,740	107
June	100.3	88.1	76	107.2	144.6	2,773	105
July	101.4	88.1	82	108.0	151.9	2,814	111
August	101.4	88.1	82	109.4	150.6	2,832	114
September	101.8	88.3	86	109.3	149.9	2,866	107
October	101.4	87.5	87	109.3	158.6	2,885	114
November	100.2	86.8		110.0	171.5	2,906	114
December				112.2	215.5	2,949	118
1983							
January						2,984	122.0

OUTPUT—By market sector; consumer goods, iovestment goods, intermediate goods (materials and fuels); engineering output, metal mannfacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. gonds	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Hnusg. starts*
1982							
1st qtr.	92.4	90.8	121.1	86.3	80.8	74.0	14.7
2nd qtr.	91.9	91.7	122.0	86.6	77.5	72.5	17.5
3rd qtr.	91.7	90.3	122.6	85.7	72.0	71.5	17.2
4th qtr.							15.1
March	93.0	92.0	122.0	87.0	79.0	73.0	17.5
April	92.0	92.0	123.0	86.0	81.0	74.0	17.1
May	93.0	92.0	123.0	87.0	79.0	74.0	17.7
June	91.0	92.0	121.0	87.0	73.0	70.0	17.6
July	91.0	90.0	123.0	86.0	72.0	71.0	16.7
August	91.0	90.0	122.0	86.0	71.0	70.0	15.9
September	92.0	90.0	123.0	86.0	73.0	74.0	19.1
October	93.0	88.0	123.0	85.0	71.0	73.0	15.5
November	91.0	88.0	121.0	84.0	68.0	70.0	17.3
December							12.5

EXTERNAL TRADE—Indices of export aod import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Expnrt voluma	Import vnlume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1982							
1st qtr.	125.0	122.5	+323	+733	+707	101.5	18.97
2nd qtr.	130.4	129.1	+125	+887	+891	101.7	17.70
3rd qtr.	124.3	125.1	+401	+1,005	+1,264	100.9	18.30
4th qtr.	131.6	123.5	+1,321	+2,011	+1,690	99.0	16.85
March	132.2	124.5	+260	+397	+231	101.7	18.97
April	133.4	128.5	+224	+479	+418	101.8	18.16
May	131.7	134.0	−115	+145	+311	101.4	17.82
June	126.1	124.8	+ 9	+263	+162	101.9	17.78
July	125.4	123.6	+178	+379	+410	101.2	17.94
August	117.2	123.9	− 34	+168	+479	101.5	18.11
September	130.2	127.8	+257	+458	+375	100.0	18.30
October	127.4	124.9	+259	+489	+496	98.7	18.50
Nnvember	133.1	125.0	+470	+790	+506	98.4	18.00
December	134.3	120.7	+592	+822	+688	98.9	17.00
1983							
January							16.85

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling tn the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimnm lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1982							
1st qtr.				+3,194	967	2,157	
2nd qtr.	2.1	8.2	26.2	+4,535	1,344	2,188	
3rd qtr.	15.2	12.6	28.3	+4,842	1,796	2,399	
4th qtr.	19.0	13.3	26.9	+5,015	2,139		
April	− 3.3	4.8	26.1	+1,648	437	728	
May	− 0.5	9.5	20.8	+1,684	478	710	
June	10.7	10.2	25.8	+1,240	429	750	
July	14.2	11.3	29.4	+1,369	691	698	
August	17.5	12.3	26.6	+2,034	437	856	
September	14.2	14.8	28.8	+1,439	668	845	
October	24.0	18.2	32.4	+2,870	886	802	
November	17.4	12.2	25.4	+1,15a	763	862	
December	15.9	9.8	23.2	+ 987	490		

INFLATION—Indices nf earnings (Jan 1975=100); basic materials and fuels, wholesale prices nf manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1982							
1st qtr.	216.6	238.2	234.3	311.6	297.7	242.40	91.1
2nd qtr.	222.7	240.0	238.2	321.5	304.1	233.46	90.3
3rd qtr.	227.8	244.9	242.0	323.0	297.0	228.88	91.4
4th qtr.		250.8	246.8	325.4	298.5	238.84	89.2
October	228.0	246.1	245.1	324.5	296.5	227.18	92.5
Novamber	232.0	252.6	246.5	326.1	298.8	228.03	89.5
December		255.7	248.9	325.5	300.1	238.84	85.6
1983							
January		260.7	250.1			255.45	81.9

* Not seasonally adjusted.

Boots buys Optrex from Hoechst

By Carla Rapoport

HOECHST UK, the wholly-owned subsidiary of the large West German chemical company, is selling its Optrex subsidiary to Boots for £9.25m.

Optrex, based in Basingstoke, Hampshire has annual sales of about £7m and has been in loss for the past three years. It is still among the brand leaders in the UK over-the-counter drug market with products such as Optrex Eye Lotion and Drops and Famec cough medicine.

Boots said yesterday that more than half of Optrex's 107 employees may lose their jobs as a result of the acquisition and rationalisation with Boots' own over-the-counter business.

Boots said Optrex presents "new marketing opportunities" for the group. Hoechst, on the other hand, admits that it could not make the most of Optrex. The group now appears to be out of the UK over-the-counter market for good.

"It was a culture-clash," said Dr Brian Cromie, head of Hoechst UK's pharmaceutical business. Hoechst is the largest seller of ethical drugs in the world, but in effect, he says, it could not sell aspirin.

"You've got to make claims to sell drugs over-the-counter. The tradition of an ethical drug manufacturer is restraint. We don't like to make claims, we're not used to it," Dr Cromie said.

The product in question is Pharmacin, an aspirin launched about two years ago. Pharmacin was the first non-tablet form of aspirin – no unpleasant taste when swallowed – to be launched in the UK.

UK NEWS

British Ropes sees signs of upturn

By Nick Garnett, Northern Correspondent

BRITISH ROPES, one of the country's largest operators in the private steel sector, might have seen the last of major manpower cuts, its managing director said yesterday. The company has reduced its workforce by half to just over 2,000 in the past few years.

Mr David Houghton, managing director of British Ropes, the wire-drawing and rope-making part of the Bridon group, said that it was now receiving a considerably greater number of inquiries for its products from abroad.

He warned, however, that UK private steel companies might have to undertake a further round of rationalisation this year.

Mr Houghton was referring partly to rod and bar, where last year's reprieve of Manchester Steel has put further pressures on producers such as Sheerness and Allied Steel and Wire.

"You might also argue that there are too many rope makers," he said.

British Ropes itself, he said, was receiving more inquiries from abroad because of changes in currency rates with the dollar and the company's own cost-cutting drive. It could now quote prices – especially for the North American market – which were far more competitive than they were six months ago.

This might be a sign that trading was easing and that some form of upturn was on the way. Inquiries had to be converted into orders, however, and he conceded that what appeared to be signs of an upturn last year had proved to be short term "blips" on the trading graph.

As with many manufacturing companies, British Ropes believes that a 10 or 20 per cent increase in demand could be met by higher utilisation of existing plant and workforce.

The company is laying emphasis on two developments. One is that it is putting greater effort into improving the technology of its products.

Secondly, it is moving towards operating much more as a European company rather than one with its home solely in the UK. It has a Belgian subsidiary, Anglo-Continental Ropes, as well as a series of distribution companies.

Companies fight for vital RAF missile order

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

A TOUGH battle is developing in Whitehall between the manufacturers of rival weapons systems with the ominous acronyms of Harm and Alarm.

Orders worth £200m to £300m are at stake. So too the rival manufacturers claim, are thousands of jobs and the future of key British technology. Ministers face delicate choices in the weeks ahead as they decide which system to buy.

The opening shot in the campaign by manufacturers was fired last month when, at an elaborate press conference in central London, executives of the British Aerospace (BAe) Dynamics Group extolled the virtues of Alarm – the Air Launched Anti-Radar Missile – and, in not too gentlemanly a fashion poured criticism on Harm – the High Speed Anti-Radar Missile.

Yesterday battle was joined. Lucas Aerospace, partner with Texas Instruments, the U.S. manufacturer of Harm, gave its presentation to the press.

The cause of the rivalry is the Royal Air Force's requirement for a missile which can destroy the Warsaw Pact's increasingly effective radar dependent air defences.

Anti-radar missiles are relatively new weapons in the world's armouries. The U.S. produced the first and rather crude version in the form of the Shrike. This was used in Vietnam.

What the RAF requires now – and only U.S. and British industries are apparently in the running to provide it – is something more sophisticated.

A missile is needed which can home in on, and then suppress or kill, the radar emissions from Warsaw Pact air defences. These range from Soviet mobile anti-aircraft systems such as the SA6 "Gainful" to the multi-barrelled air defence gun system known as the ZSU 23-4, all due soon to be improved and augmented by a new generation of anti-aircraft weapons.

The RAF's requirement is for a missile which would be launched from the Tornado aircraft flying below Warsaw Pact radar at a height of perhaps 200ft. The missile would climb rapidly to about 25,000ft and use its intelligence and guidance systems to detect and home in on the radar beam of the ground and air defence systems.

If military factors were the only consideration, Harm would probably be the RAF's favourite. Either system would fulfil its requirements, but whereas Alarm is still on the drawing board, production of Harm is beginning and the RAF wants delivery as soon as possible.

The U.S. package – as distinct from the planned unit cost of the missile – could also well be cheaper than that of the British missile package. The U.S. weapon is promised for delivery to Britain in 1986. BAe says Alarm could be ready nine to 12 months later. Others suggest that, given the seven to eight years of development which went into the American system, it could be considerably longer.

But political factors could well tip the balance in BAe's favour just as they did 18 months ago when GEC-Marconi won a torpedo contract against a cheaper bid from Gould of the U.S.

In its publicity campaign directed at MPs and trade unions BAe is making much of the need to keep key technologies in Britain. It quotes the Falklands war as showing how vital it is to have full control of its weapons systems.

The company is also making much of the jobs which could be lost if the contract goes to America. It says it has already put some £3m of its own money into Alarm since 1979, and claims now to be spending £30,000 a day to keep the programme running.

Lords to decide on constituency case

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

FIVE Law Lords will decide tomorrow whether the Labour Party is to be allowed one last attempt to block the proposed changes in English parliamentary constituency boundaries.

The House of Lords appeals committee will hear a plea from lawyers for Mr Michael Foot, the Labour leader and his co-applicants for leave to challenge the dismissal of their claim by the Court of Appeal last month.

The changes are proposed in a report by the Boundary Commission for England and are intended to correct the imbalances which occur, in the course of time, in the electoral size of constituencies.

The Boundary Commission's review is the first since 1969. Since then many constituencies, particularly in inner cities, have become smaller in terms of population, while others have become bigger. Because Labour is strong in inner city areas, the proposed changes to equalise the constituencies could mean the loss of many Labour seats at the next general election.

For this reason, the Labour Party has sought a legal order to prevent the commission from submitting its report to the Home Secretary.

So far five judges – two in the High Court and three in the Appeal Court – have been unanimous in rejecting Labour's claim. All decided that there were no grounds for saying that the commission did other than faithfully fulfil its brief from Parliament.

If the Law Lords give Labour leave to appeal – and it is far from certain that they will – the case would be unlikely to be heard before the beginning of next month at the earliest.

It would last about three days, after which, in the normal course, the Law Lords would retire and hand down their decision about six weeks later.

However, given the importance of the case – not to mention its implications as far as the timing and outcome of the next general election are concerned – the Lords might decide to announce their decision immediately and give their reasons later.

They adopted that procedure recently in another case with constitutional implications: the attempt by 20 international airlines to force disclosure of ministerial working papers concerning government policy on the British Airports Authority.

Assuming an immediate decision against Labour, it would be possible for the commission's report to be submitted and considered by Parliament and its recommendations implemented within the following six weeks. It would leave the option of a June general election still open to Mrs Margaret Thatcher, the Prime Minister.

Underwriter sues over dismissal

By John Moore

AN UNDERWRITER who was dismissed by Minet Holdings, the troubled insurance broker with Lloyd's of London interests, is suing a Minet subsidiary company for alleged wrongful dismissal.

The underwriter, Mr David Babington Hill, was dismissed last December after he was implicated in allegations that he and other former executives of the group had personally benefited from reinsurance transactions carried out by underwriting syndicates under the management of Minet's PCW underwriting agency.

TECHNOLOGY

EDITED BY ALAN CANE

CALIFORNIA EQUIPMENT INTRODUCED TO THE UK

Toothless system for metal cutting

BY GEOFFREY CHARLISH

INTRODUCED TO the UK from California is an equipment for cutting difficult metals using an "arc saw" in which very high current at low voltage is applied to a toothless circular saw blade.

According to the originators, Retech Inc, cutting speeds "magnitudes faster than other methods in use today" can be obtained. Carbon, stainless and tool steels, nickel and cobalt alloys, titanium and zirconium have all been cut at rates up to 280 sq ins of cross section per minute. Even higher speeds are possible with aluminium and copper, the company claims.

Removal

The electrical supply unit for the arc is based on low voltage high current thyristor circuits handling up to 20,000 amps, with fast response. Together with a servo system which receives its input from the arc current control network, the arc length (about 0.1mm) and the current are suitably controlled, allowing feed rates of several metres per minute. The response time of the arc supply is said to be 100 times faster than most welding or melting power supplies.

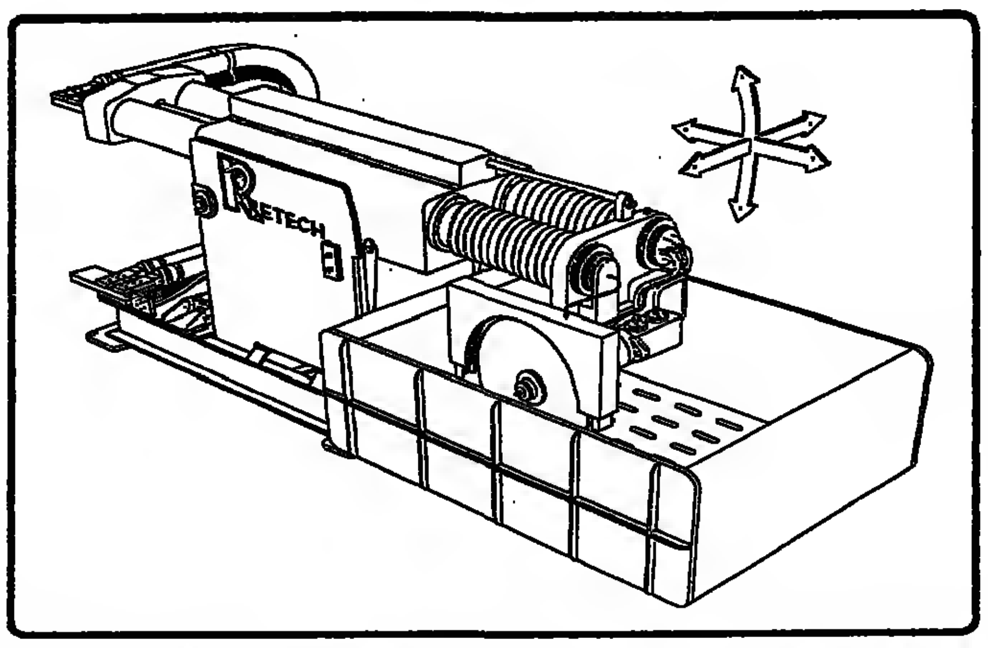
The rotating blade is connected to the supply by a slip ring assembly and is spun at a speed that allows proper removal of material from the cut and adequate cooling of the blade.

The supply of such high energies to a rotating disc may be what has prevented commercial development of the technique in the past. Retech is successfully commutating up to 20,000 amps and naturally enough is not revealing details.

To date, the saw has been designed to accommodate a variety of blade diameters ranging from eight ins to more than six ft (203 to 1,829 mm). The blades, normally made from low alloy steel, are used with one of five saw heads with three axis motion so that the needs of the majority of the market can be met. If necessary, movement in the three directions can be under computer control.

A further advantage is that, in theory at any rate, the blade does not contsct the workpiece so that wear rates are amall. The average blade life is 11 sq ins of cut material to about one sq in of blade wear—which is claimed to be much better than the abrasive saw.

A slight curiosity is that the technique works best under water, which is perfectly feasible electrically in view of the very low voltages used. Arc noise is reduced, onlookers are shielded from the cutting arc and increased powers are possible without overheating the blade.



The Retech "arc saw" in which a high current arc is struck between a rotating wheel and the workpiece. The work is clamped underwater in the tray shown and can move in all three axes, under computer control if desired. Very high cutting rates are claimed

There is also complete containment of the swarf—a particular advantage when cutting valuable metals since it can easily be recovered later by simply filtering the water.

Similarly, toxic dust or vapour from metals like beryllium can be kept out of the atmosphere and isolated in the water.

In addition, the arc length can be shorter in water and the cut is more precise—typically, it is only a few "thou" wider than the blade. Thus, waste is reduced and the resulting swarf is less likely to be contaminated. With titanium at £3,000 per tonne, this can have an important effect on the price obtained for the swarf.

Other advantages stem from the absence of contact between blsde and work. For example, angular cuts with accurate tracking can be made regardless of the point of entry.

Thicknesses

The nature of the process means thst brittle materials will cut cleanly without either fracturing or binding. The blade can also cut through varying thicknesses and types of materials with the minimum amount of swarf.

The machine is being marketed in the UK by the Heaton-Metech division of Hearl Heaton and Sons, Liversedge, West Yorkshire, (0924 406721), at an average price of about £0.5m. Six of the units have been sold in the U.S. to government establishments and the aerospace industry.

Future developments are likely to include a bandsaw version that will allow a smaller length of entry and improve the shaping properties of the machine.

COMPUTER GRAPHICS

Picture system for the engineering designer

It becomes possible for the engineering designer to "maka parts on the screen" using a system called NC Graphics just introduced by Manufacturing and Data Systems International of Solihull, West Midlands.

An addition to the company's Compact 2, a time saving computer language for NC/CNC psrts programming, it will allow manufacturers to optimise aoy CAD/CAM environment and provide close control over time and resources.

The user can "manufacture" the part and visually check out all the simulated machining functions on a colour graphics screen. At any stage in the operation he can re-program, or commit any section to bard copy before finalising tha tape and proving the program out on the machine tool.

The system can be applied to all NC milling, drilling, turning and punching operations and extensive field development indicates, says the company, that programming time can be cut by more than 50 per cent compared with traditional methods.

Standard engineering terminology is used to instruct the computer so that the learning time is hours rather than days. Menus make selection of operations a simple task.

NC Graphics utilises eight standard colours to represent part shape, clamp, tool motion, and so on and can be used in metric or imperial format. It is also possible to zoom in and out on the graphics to give greater accuracy in the details.

Information input is also simplified. Once it has been established which machine tool is to be utilised for the process, the system handles all the necessary data requirements. The designer, using e joystick or tablet, describes the required shape on the screen with the various machining operations matched to various points on the component. These are called up from a menu on the screen that covers, say, lathe roughing, mill profiling or drilling.

NC Graphics will then display the operational sequence, enabling the programmer to check visually the effectiveness of the operation.

Additionally, process information such as speeds, feeds end elapsed machining time are continuously displayed.

The principal point of this system, according to Mr A. Gregory, managing director of MDSI, is that companies will be able to program, prove-out and "manufacture" parts without going on to the factory floor.

MONITORING THE BISCUIT

Millennium set for standard projects

BY ELAINE WILLIAMS

BISCUITS, it seems, can only be certain shades of brown if they are to gain acceptance amongst the buying public. So Millennium a small but growing design company, developed a colour monitor for biscuits coming out of United Biscuits' ovens.

Interesting as such projects are, David Pearce, managing director of the five year old Millennium, wants to move away from one-off designs to selling ranges of standard products.

The company's first major step towards achieving this goal has been the introduction of a distributed processor based monitoring and alarm system, which, Mr Pearce says, is one of the most competitively based on the market.

Called DataRing, the system has taken two years to develop. It has also received the support of the Home Office, one of Millennium's clients. The company believes that its system can be used for a wide variety of applications such as machine monitoring, security access control, fire alarm, and energy management systems.

The system uses both microprocessors and local area networks for monitoring, communications and control. It comprises a low power microprocessor for controlling the communications and data collection, and units called local data points which are sited where information is gathered.

The computer and data points are linked by simple twisted pair cable and communications between them are still possible if there is a break at one point in the cable because of its LAN facility.

Mr Pearce said that the system is extremely flexible with the ability to link to more powerful computer systems and up to 50 local data points each up to 1km distant from each other can be connected together. Each data point costs about £500.

The company is confident that orders for the system will reach £250,000 in the first 12 months. This year Millennium's turnover is expected to reach £500,000 but in future years Mr Pearce hopes that more of the income will come from standard products.

Platform

Retractable tail-lift

BELIEVED to be the first retractable tail lift of the twin column type, the platform of which folds away when not in use, has gone into production at Primrose Tail Lifts, Ewood, Blackburn (0254 56031).

Unlike ordinary twin column tail lifts, the retractable model from Primrose does not have to be lowered to give access to the back of the body. The platform is housed in a weatherproof enclosure and is expected to appeal to users who need to use a tail lift only occasionally, for example on rental vehicles or parcel delivery vans.

Cranes

Avoiding collisions

TELEMOTIVE UK, which specialises in the radio control of cranes, has introduced a system called Telelimit, designed to prevent collisions between cranes, or between a crane and e fixed object.

It is claimed that this system is unique in being able to decelerate e crane safely to rest without swinging the load. Braking et speed can cause the load to swing and can be just as dangerous as e collision, says the company.

Instead, progressive deceleration is produced by arranging relsy outputs that control the crane's motors in three steps as it approaches the hazard. A warning and initial slowing is followed by e change to slow speed and then a safe progression to standstill. The distance from the hazard at which each step operates is independently adjustable to suit the crane's speed and braking ability.

The system uses the "near field" effect of a radio transmitting aerial to measure the distance from a receiving aerial mounted on the hazard. These transmissions are not affected by signal reflections or changing environmental conditions and several systems can be used in close proximity.

Telelimit has no moving parts except for some relays and needs no routine maintenance. The company is at Walton-on-Thames on 09322 47511.

Workstations

Character recognition

A DESK-TOP optical character recognition system with the slightly curious name of WorkLess Station has been launched by Lexisystems of Frome, Somerset (0373 61446).

The unit, which is said to be as easy to use as an office copier, can read and communicate text to a word processor at the rate of one page every 25 seconds—perhaps 20 times as fast as a WP operator. The RS-232-C interface fitted as standard makes the unit compatible with most makes of word processor.

Likely uses will include entering archival material and documents originating outsida the organisation. Media conversion between incompatible makes of word processor is also possible.

The machine will automatically identify any of eight typefaces and all the operator has to do is to stack the pages to be read (up to 75) and press the read button. The text is then transferred directly to the WP machine. Reading accuracy is stated to be one wrong character in 10 pages.

With four founts the WorkLess Station costs £6,500.

Conservation

Beer keg saver

EVERY YEAR more than 500,000 metal beer kegs are thrown away because of damage during unloading. Keg Services, based in Hereford believes that its new invention can reduce such damage and extend the life of Britain's 4m beer kegs.

It has developed e low cost, light weight, short radius jib containing e friction governed pulley for lowering kegs from lorries to the ground and then on into cellars. This controls the speed of each barrel and so reduces the possibility of dents and other damage. For more information contact the company on 0772 37707.

Diodes

Selectronic

A RANGE of gallium aluminium arsenide light emitting diode modules are now available from Selectronic which is based at Witney, Oxon.

The 2 in high 5 by 7 dot matrix modules produced by Taiwan Liton, are the LT2057 and the LT2157SR series. The peak emission is at 650 nm with an everage luminous intensity of 3,200 microcandelas. More information can be obtained on 0993 73888.

JOBS COLUMN

Changes in price of executive life abroad

BY MICHAEL DIXON

THE TABLE alongside shows changes in the costs of executive-style living in 20 countrivs over each of the 12-month periods to the Septembers of 1981 and last year.

Let it be recognised straight away, please, that the figures are not official rates of inflation. The Jobs Column has been allowed to quote them from the surveys of living costs throughout the world made annually by Employment Conditions Abroad.

ECA is a trade association which provides organisations subscribing to it with information bearing on the pay of employees in some 75 different lands. Any reader wanting to know more should contact Ginny Spittle at 13 Devonshire Street, London, W1N 1FS; telephone 01-637 7604, telex 299751 Eureca G.

The ECA data is based on questionnaires filled in by the various international offices of its 500-plus subscribing organisations. About 1,250 forms were completed in the latest survey.

The object is to find out the living costs of middle to upper income groups, and the figures in the table relate to a "shopping basket" of 109 items commonly bought by executive types wherever they happen to be working. But the full survey goes far beyond that, covering the relative expense of motoring and buying cars, housing and utilities, and the costs to expatriates of domestic staff, club membership and schooling for their children. The complete report on the study runs to no fewer than 1,880 pages.

CHANGES IN LIVING COSTS

	Sept. to Sept. 1981 82 %	1980-81 %
Bolivia	310	17
Argentina	248	116
Poland	105	27
Brazil	102	88
Italy	23	19
Spain	15	14
South Africa	13	12
Hong Kong	11	18
Australia	10	12
Canada	10	15
France	9	12
Nigeria	9	11
United Kingdom	5	10
Bahrain	4	3
Netherlands	4	4
West Germany	4	9
Dubai	3	6
Saudi Arabia	3	5
United States	3	9
Singapore	−1	15

As well as information on costs of longish-term living in the countries, ECA also gives rough indications of the expense of staying in various places while on business trios. These are expressed as the daily cost of a stay, including a four-star hotel, in sterling at the exchange rates prevailing when the survey was made last September. The rankine for 12 major centres is as follows:

Lagos £127, Manama (Bahrain) £109, Dubai £105, Jeddah £98, New York £97, London £90, Hong Kong £87, Sydney £83, Singapore 77, Paris £73, Rio de Janeiro £69, Madrid £55.

The relatively high expense of staying in London, by the way, is mainly explained by the price of hotel accommodation which accounts for a greater proportion of the total costs here than it does almost everywhere else.

Ethics

"OH, YOU'RE still there—good," said a recruitment consultant on the telephone a week ago. "I thought that by now you might be lying in an alley somewhere with your head beaten in."

He is one of two dozen consultants who have so far responded to last Thursday's listing of 15 organisations belonging to the Selection Consultants' Group of the Management Consultants Association which are publicly committed to the association's code of ethics, and to this column's offer also to make known the names of other consultancies willing to "lay their professional reputations on the line" in a comparable way.

As things have turned out, the response has been largely friendly. But one or two recruiters complain that readers may have drawn an inference (which I certainly did not intend to imply) that headhunters not belonging to the Selection Consultants' Group of the association exclude themselves because they are not willing to abide by its code.

That notion is nonsense. In fact, membership of the association is restricted to organisations practising general management consultancy, and the main reason why most of the headhunting concerns are not members is that they aren't generalist management consultants but specialists in the recruiting aspects of management. Nor, incidentally, does the selection group of the association include all of its member firms which include recruiting among their activities.

Another point which has been raised is that if the Jobs Column is to make known consultants outside the association which are committed to ethical practices, it should at the same time pass on two other things. One is the name of a person in each of those consultancies to whom complaints can be sent. The other is the basic rules of conduct to which they commit themselves.

So I now propose that, where relations with job-candidates are concerned, the rules should be those of the recruiters' half of the two-way code of behaviour originated in this corner of the FT six years ago and adopted officially by the Institute of Personnel Management.

The IPM Recruitment Code is a tit-for-tat arrangement in the sense that neither recruiters nor candidates have a right to expect the other side to fulfil its half of the code unless they fulfil their own half.

The recruiters' obligations are:

1—Job advertisements will state clearly the form of reply desired (eg curriculum vitae, completed application form) and any preference for handwritten applications.

2—An acknowledgement or reply will be made promptly to each applicant by the employing organisation or its agent.

3—Candidates will be informed of the progress of the selection procedure, what this will be, the time likely to be involved and the policy regarding expenses.

4—Detailed personal information (eg religion, medical history, place of birth, family background etc) will not be called for unless and until it is relevant to the selection process.

5—Before applying for references, potential employers will secure the permission of the applicant.

6—Applications will be treated as confidential.

The applicants' obligations are:

1—Advertisements will be answered in the way requested (eg telephone for application form, provide brief details, send cv).

2—Appointments and other arrangements will be kept, or the recruiter be informed promptly if the candidate discovers an agreed meeting cannot take place.

3—The recruiter will be informed as soon as a candidate decides not to proceed with the application.

4—Only accurate information will be given in applications and in reply to recruiters' questions.

5—Information given by a prospective employer will be treated as confidential, if so requested.

Over the next day or two I shall be getting in touch with the consultancies which have already sent in their commitment to ethical practices, to confirm that they will abide by the IPM two-way code and name the member of their staff to whom any complaint is to be referred. I would be obliged if other consultanvies wishing to have their commitment recorded in this column in due course would do the same.

That still leaves the question of basic rules of conduct between recruitment consultancies and the employing organisations which are their main clients, for which there is no ready-made code of which I'm aware. If any reader is interested in trying to draw up such a code, I'd be grateful for suggestions.

EDITOR FOR A NEW MAGAZINE —

BANKING

The Editor is required for a new monthly magazine titled BANKING to be launched in July 1983. The magazine will be a highly influential periodical in the field of banking and public issues affecting banks. It will have an outward-looking function as well as dealing with developments of banking management, and techniques. The magazine will incorporate The Bankers' Magazine (published since 1844 by *Waterlow Publishers Limited* — a member of the British Printing and Communication Corporation) and the Journal of the Institute of Bankers (published since 1879).

Circulation of 150,000

The magazine will have a circulation of approximately 150,000.

The successful applicant will have wide experience in financial journalism with particular emphasis on banking and the new technological changes rapidly taking place in that field. The Editor will be required to travel extensively in the U.K. and overseas and must have the presence and personality to mix confidently with senior bankers and leading figures from the various business, academic, political and trade union spheres. The job involves close liaison with officers of The Institute of Bankers and other advisory bodies. The Editor will be responsible to a small Supervisory Board of distinguished bankers and the Publisher.

Salary Package valued at £30,000 per annum

The Editorship of BANKING will be one of the most prestigious appointments in financial journalism and the remuneration includes a car, pension, B.U.P.A. and the usual benefits associated with a multi-national corporation. The total salary package is valued at £30,000 per annum.

Please apply in writing to:
Robert Maxwell, Publisher, Banking
Maxwell House, 74 Worship Street, London, EC2A 2EN

INVESTMENT ANALYST

A leading Scottish-based firm of Stockbrokers is seeking to appoint an experienced analyst to join its small research department. This position would suit candidates with general industrial analysis experience rather than a strict sectoral orientation. This appointment should appeal to candidates who seek a challenging opportunity outside London.

Candidates should be aged between 25 and 35. An attractive salary and removal assistance will be offered.

Write with full c.v. to
Box A.8076. Financial Times
10 Cannon Street. London EC4P 4BY

FOREX APPOINTMENTS

For Forex/LIFFE/Money Market appointments at all levels discuss your needs, at no cost, with a specialist

TERENCE STEPHENSON
13/14 Little Britain
London EC1A 7BX
Tel: 01-606 6834
20 years market experience

Commercial Banker

International Bank — mid 20's

Our Clients are one of the largest European Merchant and Commercial Banks. *They are world leaders in many fields and are committed to a policy of expansion in* the United Kingdom.

This is an unusual opportunity for a Banker – with a minimum of two years' experience – from an Accepting House or International Bank background to join a small team with a widely based portfolio of major corporate clients. Long-term prospects and the opportunity for immediate client exposure and responsibility are exceptional.

Applicants will almost certainly have been to a leading British or European university and will have had some Credit training. A major European language would be *advantageous but is by no means essential.*

Salary is negotiable but will be in line with experience. Full banking benefits, including subsidised mortgage and non-contributory pension.

Please write in confidence to Colin Barry at Overton Shirley and Barry. (Management Consultants), Second Floor, Morley House. 26 Holborn Viaduct. London EC1A 2BP. Tel: 01-583 1912.

Overton Shirley and Barry

Performance Measurement Consultants

Wood, Mackenzie & Co., Members of The Stock Exchange with offices in Edinburgh, London and New York, provide accounting, valuation, performance and other specialised services for institutional investors both in the U.K. and world-wide.

Our performance measurement service covers more than 700 U.K. pension funds, whose total assets represent about 55% of assets held by all such funds.

We now wish to recruit further performance consultants, based in Edinburgh and London, to assist both in the marketing of this service and in the presentation of the results to our clients.

Applicants are likely to possess a professional qualification, and to have had some 3-5 years' experience of performance measurement or fund management. Experience in the design and presentation of reports for Pension Fund Trustees would also be advantageous.

A competitive remuneration, including a profit related bonus and contributory pension scheme will be offered to the successful candidates. Written applications, providing a brief career summary, should be addressed to:

D. H. C. Boath, Head of Personnel.
Wood, Mackenzie & Co., Erskine House.
68/73 Queen Street, Edinburgh, EH2 4NS.
Tel: 031-225-8525

WM

Wood, Mackenzie & Co.
Members of The Stock Exchange

Banking in Europe

A New Challenge Overseas...

£12–25,000

Michael Page Partnership is actively developing links with banks in Europe and the Middle East.

Our clients' needs vary widely but include requirements in – eurocurrency lending, trade finance, eurobond sales, FX dealing and treasury management etc.

We wish to hear, therefore, from candidates based in the UK or Europe, currently considering an overseas career move.

Please contact **Kevin Byrne, B.A.,** on **01-242 0965,** or write to him at **31 Southampton Row, London WC1B 5HY,** who will treat your application in strictest confidence. Informal discussion of possibilities and local details will be available prior to any contact with client companies.

MP
Michael Page Partnership
Recruitment Consultants
London Birmingham Manchester Glasgow

TOP APPOINTMENTS

Only Connaught offer a success-related fee structure to selected senior executives seeking new appointments from £15,000 to £50,000.

Perhaps we can help you too. Contact us for a confidential meeting without obligation.

Connaught
Executive Management Services Limited

73 Grosvenor Street,
London W1 01-493 8504
(24 hour answering service)

Managing Director (Banker)

Our Clients urgently require a Senior Banking Specialist to head up their Financial Operations in Singapore, Bahrain and London. Membership of the Institute of Banking is required, with absolute minimum of fifteen years executive experience.

Background must include Taxation, Law and Practice of Banking; Investment, Monitory Economics, Business Accounting, Foreign Business and Foreign Exchange. The appointee will be expected to travel extensively on Company business.

Salary by negotiations.

Should you meet our requirements please send full, detailed C.V. (quoting ref. no. F.T.1) to:-

D G M McCall, Managing Director,
KAL Enterprises (UK) Limited,
40 Upper Brook Street,
London W1Y 1PF.

European Marketing Officer

Electronic Banking - Cash Management Products

The Chase Manhattan Bank, N.A., a leading American Bank with its European headquarters in London, manages large volumes of international business through its extensive European branch network.

We are currently seeking additional marketing officers to execute and support a strategy of continuing expansion of our global electronic banking product line throughout Europe.

Initially based either in London or Frankfurt you will work closely with financial executives and corporate treasurers of multinational companies.

Ideally, therefore, you will be in your mid to late twenties, educated to degree level and have the ability to support the marketing of electronic banking/cash management products to corporate and financial institutions. Preference will be given to candidates who have proven experience in computer systems and data communications technology.

You will be a highly motivated individual capable of communicating at senior levels. Fluency in a second European language, especially German, will be a distinct advantage.

In addition to an excellent salary commensurate with your experience we offer the wide range of fringe benefits you would normally expect from a major international bank.

Please write with full details of your career to:
Janice Grant, Assistant Manager – Personnel, The Chase Manhattan Bank, N.A., Woolgate House,
Coleman Street, London EC2.

CHASE

Marketing Development

High Technology, up to £25,000+car

It's the simplest marketing challenge you'll ever come across. And the most complex.

The Industry is telecomms. The challenge is world wide marketing success. The tools are the resources of a major British-owned organisation. Together through the establishment of this high level function they form the parameters of a task daunting to all but the most talented marketeers.

Two new appointments are to be made to set and to manage the pattern for the long term strategy for highly autonomous divisions, one serving the capital goods business, the other devoted to the end-user market.

The roles involve a continuous review of product ranges, financial objectives and business environments. You will be identifying and controlling profitable business opportunities, and generally exercising a prime influence on the strategies for growth, through new business developments and enhancements of existing products. In the fast changing world that is telecomms you must ensure that no substantial market remains untouched.

The person specifications are similar: graduates in a technical discipline, with excellent track records in large *companies, and proven achievements in marketing* high technology capital or consumer products. The very depth of experience sought dictates a minimum age of 30. similarly planned long term career progression indicates a ceiling of around 45.

Contact *Neil Macmillan* on *(0992) 552552* or send a brief C.V. to me at Macmillan Davies Personnel Consultants (Ref. M0406). The Old Vaults, Parliament Square, Hertford SG14 1PU

Macmillan Davies
Personnel Consultants

International Bankers

Our Clients urgently require Banking Specialists, for assignments in London. They must be Members of the Institute of Banking with a minimum of fifteen years banking experience.

Candidates must have proven experience in International Banking procedures and ideally should have specialised in one of the following areas (1) Foreign Exchange (2) Investment (3) General Banking (4) Taxation. Top line candidates will be offered an excellent contract package with salary c £18,000 p.a.

Should you meet our specifications please write in full detail (quoting ref. no. F.T.2) to:-

D G M McCall, Managing Director,
KAL Enterprises (UK) Limited,
40 Upper Brook Street,
London W1Y 1PF.

MORTGAGE MANAGER

for leading house building company in the Greater London area.

Must have the ability to obtain and administer fixed quota arrangements with Building Societies, handle *internally the smooth* take *up of the* various funds, liaising with other departments, on-site sales centres, etc.

Relevant experience may have been gained in Banking, Insurance or the Building Society Movement.

For further information please write to:

Bastable Personnel Services (Ref: MM/FT/2)
(Recruitment Consultants)
18 Dering Street, London, W1

Office Manager/ Company Secretary

Abingworth Limited, a venture capital company makes minority equity investments principally in technology-based companies in America and the UK.

Continuing expansion of its business has created an opportunity for an experienced Office Manager/Company Secretary.

Based in London, you will take responsibility for the Company's principal administrative functions including preparation of Monthly and Annual Accounts, maintenance of records on investments, assistance in the preparation of reports to shareholders and supervision of stock transfer and settlement procedures in respect of investments.

You will probably be aged 35-50, with experience in an investment banking, or other financial environment. A professional qualification would be an asset.

We will negotiate an attractive compensation package to reflect your experience and qualifications.

PLEASE WRITE WITH FULL PERSONAL DETAILS TO
O W QUYSNER,
ABINGWORTH LIMITED,
26 ST JAMES'S STREET.
LONDON SW1A 1HA.

MIKE POPE & ASSOC. West End bank seeks person U.S. equity mkt. exp. 25-32, to £15,000. 01-626 5191.

ACCOUNTANT — Salary c £14,500

Major International bank is seeking a qualified accountant, with banking experience, as an Assistant Manager within the Financial Control Area. Age to 30.

Please contact: Paul Trumble

INVESTMENT DEALER — Salary to £15,000

Ideal candidate will be aged 25-35 and have specific dealing experience in US Equity Markets.

Please contact: John Webster

FOREIGN EXCHANGE MANAGER — Salary c £20,000

International bank seeks an experienced Manager to take control of a small dealing area.

Please contact: Diana Warner

CREDIT ANALYSTS — Salary to £15,000

Respected European bank requires first class analysts, to join a growing team, with significant emphasis on domestic markets.

Please contact: Diana Warner

INTERNAL AUDIT — ACA — Salary £12,500 plus car

Opportunity to take control of this bank's audit function, ideally suited to a qualified ACA still in the profession.

Please contact: David Little

Jonathan Wren — BANK RECRUITMENT CONSULTANTS
170 Bishopsgate · London EC2M 4LX · 01 623 1266

Investment Analysts

Our Clients urgently require top-flight Investment Analysts, based in United Kingdom, to identify, initiate and recommend suitable international projects on their behalf. The investments will include all areas such as commercial developments, property, industrial ventures and financial projects.

Candidates must have a proven top-flight track record with banking or accountancy b'ground, and be professionally qualified with minimum 15 years experience. They will be expected to travel abroad as required and will receive a salary c £30,000.

If you have the right background and qualification, please write in confidence to: (quoting ref. no. F.T.3)

D G M McCall, Managing Director,
KAL Enterprises (UK) Limited,
40 Upper Brook Street,
London W1Y 1PF.

Commodity Trader & Broker Food Products

Our Clients require fully experienced International Commodity Traders and Brokers with a proven track record in food markets and futures. They must have recent experience of all major food commodity markets internationally.

They will be expected to advise the Principals on potential markets to include wheat, rice, sugar, soya and any other suitable areas for investment, development, and profit generation. A knowledge of Governmental wholesale tender procedures would be an asset.

Based in London, the successful candidates will be expected to travel extensively and will receive a salary of c £30,000 p.a.

If you meet our requirements, please send fully detailed C.V. (quoting ref. no. F.T.4) to:-

D G M McCall, Managing Director,
KAL Enterprises (UK) Limited,
40 Upper Brook Street,
London W1Y 1PF.

Executive Selection Consultant

London based to £20,000+car

We are a leading firm of managemeot coosultants with a wide range of clients both in the UK and overseas.

Executive selectioo is an important and growing part of our total service. Our small specialist team handles a variety of senior appointments, from advising on recruitment strategies to the preparation of short lists.

We now wish to appoint an additional coosultant of outstanding calibre, interested in working to challenging standards of service and professionalism.

To join us, you shoold be aged over 27 with a good degree or professional qualification, and able to demonstrate a highly successful career which includes some recruitment experience. Candidates with an accounting qualification and functional expertise at a senior level in the finance or DP functions would be of particular interest.

A highly attractive, negotiable salary is offered and benefits may include a car.

Applications, which will be treated in strict confidence, should cootain relevant details of career and salary progression, age, educatioo and qualifications. Your covering letter should include an assessment of how your skills match those sought.

Please write to Geoffrey Thiel, quotiog reference 1158/FT on both envelope and letter.

Deloitte Haskins+Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

Investment Analyst

North American Markets

BP Pensian Fund requires on Investment Anolyst to undertake its research in North Americon Morkets.

The position involves detoiled exominotion of recommendotions mode to the Fund ond, from time to time, will involve originol research ond occosional travel overseos. Close colloborotion with the Portfolio Monager responsible far the monogement of the substontiol North American portfolio and the provision af both orol ond written odvice will be required.

Appliconts, ideolly under 30, must hove o degree or professional qualification ond ot leost 2 yeors' experience in North Americon securities in the Investment Deportment of o finonciol institution.

In oddition to o competitive solory, the pockoge includes o non-contributory pension scheme ond other benefits.

Please opply in writing giving detoils of oge, quolifications ond experience, quoting reference B.69, to: Mrs. Christine MocCarrick, The British Petroleum Compony p.l.c., Recruitment ond Placement Branch, Britonnic House, Moor Lone, London EC2Y 9BU.

BP The British Petroleum Company p.l.c.

Executive Director Property and Environment

SCOTTISH DEVELOPMENT AGENCY

As part of its remit to assist the economic regeneration of Scotlend, the Scottish Development Agency is the country's largest industriel landlord end has extensive powers of land acquisition, renewal and development.

This appointment is e significent opportunity to influence the evolution of Scotland's industrial landscape end to control and enhance a £250 million property portfolio. There will be substantial involvement in physical and financial aspects of major development projects, such es Science Parks, the Scottish Exhibition Centre and the St. Enoch Centre as well as a key role in formulating policies and plens for industrial, economic and physical growth.

The requirement is for e record of achievement ef very senior level in the development of industrial and commercial property, ideally including experience of the private sector. Commercial acumen and flair are essentials and a knowledge of the Scottish business environment would be a major edvantage.

Attractive levels of remuneretion and benefits will be negotiated. Location: Glasgow.

Please write in complete confidence to Peter Craigie as adviser to the Agency –

Arthur Young McClellend Moores & Co., Management Consultants, 17 Abercromby Place, Edinburgh EH3 6LT.

Arthur Young McClelland Moores & Co.
A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

MARKETING EXECUTIVE

Computer leasing subsidiary of major bank in the City requires executive to join small UK marketing team. Experience in selling computers or high technology considerable advantage. Excellent salary, commission and fringe benefits (including car) offered.

Please reply with CV to: Box A.8072 Financial Times 10 Cannon Street London EC4P 4BY

APPOINTMENTS ADVERTISING APPEARS EVERY THURSDAY RATE £31.50 PER SINGLE COLUMN CENTIMETRE

Assistant Commercial Manager

c.£12,000 **LONDON**

International Military Services Limited Is a British government-owned company, angaged In the supply of defence equipment, technical support and major engineering projects for overseas governments.

As a result of Internal promotion we wish to appoint an Assistant Commercial Manager to assist in developing and implementing the Company's commercial policies. Responsibilities will Include advising and assisting in the drafting and negotiating of contracts and agraemants, in the arrangament of ECGD Insuranca and in liaison with banking organisations.

Candidates, idaally lata 20's or 30's, must have a commercial background of high value contracts in technically based companles with axperience of drafting and negotiating contracts for the supply of goods, services or construction. A good understanding of pricing of bids, company finance and ECGD Insurance is desirable and familiarity with arbitration and litigation would be an added advantage.

Benefits include a non-contributory pension scheme and free BUPA membership.

Please write giving full personal, career and salary details to Mr. P. M. Cross, Personnel Manager, International Military Services Limited, 4 Abbey Orchard Street, London SW1P 2JJ.

This appointment is open to men and women

IMS International Military Services Limited

Economist

J. Henry Schroder Wagg & Co. Limited is looking for an economist to join a small team which provides economic advice to the Bank. The successful candidate will advise the Investment division on European economies and markets and undertake research on the international economy. There will also be opportunities to work on a variety of project-related assignments for clients. Career prospects within the Schroder Group are excellent.

Candidates will have a first and/or second degree in economics and perhaps some post-graduate experience. A knowledge of one or more European languages would be an advantage.

A fully competitive salary is offered together with an attractive range of benefits.

Application in writing with full curriculum vitae, should be made to:
Mr. John R. Lambert
Head of Staff and Administration
J. Henry Schroder Wagg & Co. Limited
120 Cheapside, London EC2V 6DS.

Schroders

EUROBOND DEALING

Continuing expansion in the Eurobond market has created outstanding new opportunities at Fuji International Finance Limited, the Merchant Banking subsidiary of the Fuji Bank Limited, Japan.

Fixed Rate Eurobond Trader

A fixed rate Eurobond trader with 5-7 years' experience in an active house with 2 to 3 years' responsibility for position taking. Salary will be negotiable according to level of achievement and experience.

Japanese Corporations Convertible Bonds Trader

A convertible bonds trader with 3-4 years' experience and with around 2 years' responsibility for position control. Salary will be negotiable according to age and experience.

There are also vacancies for a floating rate bond dealer and a Japanese Yen bond dealer. Applicants should have some dealing experience with a bank or stockbroker (not necessarily in Eurobonds). A full training in the field of Eurobonds will be provided if necessary. Salaries will be negotiable according to age and experience.

Please write, with full details of education and career, to:
The Managing Director, Fuji International Finance Limited, 25-31 Moorgate, London EC2R 6AR.

ADMINISTRATION EXECUTIVE

The Company

Our client, a subsidiary of an International broking and trading group, is an expanding and active member of The London Metal Exchange.

The Position

To co-ordinate the administrative and financial operations of the company and to liaise with the trading teams. The appointee will report directly to the Board.

The Applicant

The successful executive will preferably be a qualified accountant, ACA or ACCA, fully conversant with the operation of the commodity business and able to communicate with all personnel within a trading environment. Preference will be given to candidates from an L.M.E. company background.

Remuneration

A salary of circa £25,000 is offered, together with a company car and other benefits.

Please telephone Ray Wallhead in strictest confidence on the number below (or 0268 558727 after office hours).

CHARTERHOUSE APPOINTMENTS 01-481 3188
Europe House, World Trade Centre, London E1

British Rail Engineering Limited

Contracts Manager (BR Contracts) Derby

Applications are invited for the post of Contracts Manager at the Company's Headquarters at Derby from candidates with experience of contract negotiation and management in the heavy engineering industry.

The Contracts Manager who will respond directly to the Company's Finance Director will lead a team responsible for implementing new contractual procedures, negotiations on prospective contract and profitable contract management.

Applicants should have experience in top level contracts negotiation, preparation of tenders and contracts cost control. It is desirable that applicants should hold a business degree or accounting qualification.

The salary is negotiable around £15,000 per annum, company benefits include free and reduced rate travel facilities and contributory pension scheme with opportunity in certain cases to transfer existing pension rights.

Applications in writing giving full details of experience and qualifications should be submitted within 14 days to:-

BREL BRITISH RAIL ENGINEERING LIMITED

Personnel Director,
British Rail Engineering Limited,
Railway Technical Centre,
London Road,
Derby DE2 8UP.

KW

Kirkland-Whittaker (Currency Deposit Brokers) Limited

Market growth, coupled with major new investment, has led to expansion of all aspects of our business. The Company is therefore seeking to eogage:-

* **Currency Deposit Brokers** ($, D.Marks. Sw. Fcs.)
* **Link Personnel**

Applicants need a minimum of 2 years experience. Salary negotiable commensurate with experience and ability. Attractive bonus scheme. Apply in writing to the Company Secretary, or telephone Mrs. V. Griffin 01-638 9354. All applications will be treated in the strictest confidence.

KIRKLAND-WHITTAKER
(CURRENCY DEPOSIT BROKERS) LIMITED,
67, CHISWELL STREET,
LONDON EC1Y 4XX.

Manchester Business School

DIRECTOR

The Council of MBS is seeking a successor to Professor Tom Lupton, who retires from this post in November 1983. The post is open both to men and to women.

The Director is responsible for the success of the School, both academically and financially and is its representative both within the University and at top levels in the business community. He or she will be appointed for an initial period of five years, open to renewal.

The successful candidate could be at a senior level in business or in public administration. He or she could also be a senior academic with close contacts with business. A good organiser and administrator, he or she must have a record of achievement, a powerful intellect and the ability both to communicate and to win the confidence of colleagues.

The level of remuneration envisaged is fully competitive with senior posts in industry.

Those who wish to be considered shou'd write, enclosing brief career details, to:—

Professor M. H. Richmond, The Vice-Chancellor, The University, Manchester, M13 9PL.

Replies, which will be treated in confidence, will be forwarded to the Management Consultants advising on the appointment.

£16-£18,000

WALES CO-OPERATIVE DEVELOPMENT AND TRAINING CENTRE

Seeks to recruit a dynamic

DIRECTOR

to establish, manage and co-ordinate this unique initiative. The Centre will provide the vital technical assistance and managerial expertise necessary to develop and support new worker owned enterprises.

The Director will be responsible for initiating and developing Worker Co-operatives by: (a) outreach, to develop contacts and relationships with supportive organisations; (b) liaison with co-operatives, enterprises and organisations; (c) maintaining contacts with central and local government and (d) co-ordinating the inter-disciplinary teams of Research & Legal, Business Planning and Education & Training co-workers.

The appointment will be for an initial 3-year period, on a rising scale of £16,000 to £18,000. The successful candidate should be enterprising, resilient, practical, with good human relations skill and have a thorough knowledge of enterprise creation and a willingness to work within the Co-operative movement.

Please write with CV and covering letter before 14th February to:

WALES CO-OPERATIVE DEVELOPMENT & TRAINING CENTRE
WALES TUC, 1 CATHEDRAL ROAD
CARDIFF CF1 9SD

BOLTON METROPOLITAN BOROUGH

TRAINING LIAISON OFFICER

PO1D £10,284/£11,550

Bolton Metropolitan Borough Council is seeking a person of drive and initiative for the newly created post of Training Liaison Officer. The function of the post is to encourage co-ordination of training initiatives being undertaken in the Borough by private, public and government agencies, to assist new training ventures and to stimulate training in new technology and growth industries. Experience in training, education, industry or personnel management would be an advantage. The post, which is being created as part of Bolton's economic strategy, is initially for a period of three years.

Application forms and further details are available from the **Personnel Officer, Town Hall, Bolton BL1 1RU (Tel. 22311 Extns. 587 and 6105) to be returned no later than 25th February 1983. Trade Union Membership is a condition of service. Registered Disabled Persons are invited to apply.**

THE CITY UNIVERSITY

Secretaryship

Applications are invited for appointment to the post of Secretary of the University from 1 October 1983, or earlier if practicable.

The duties of the Secretary encompass the fields of finance, personnel, buildings and welfare, acting as Clerk to the Court and Secretary to Council. The person appointed will be expected to contribute significantly to the efficient utilisation of the physical and human resources of the university.

The salary will on Grade IV of the national salary structure for University Senior Administrative Staff (approximately £20,000 p.a.).

Further particulars may be obtained from the Vice-Chancellor, The City University, Northampton Square, London, EC1V 0HB.

The closing date for applications is 31st March, 1983.

Antony Gibbs & Sons, Ltd.

Loans Administrator

Antony Gibbs & Sons, Limited, the London merchant banking member of The Hongkong Bank Group, is looking for an executive age 25-35 to join its Loan Administration Department within the Banking Division.

The requirement is for a qualified person with several years experience of charged securities particularly in the property sector.

Graduates in banking or other related disciplines are invited to apply for this managerial position.

Attractive salary, which will depend on experience, will be negotiated.

Applications, which will be treated in complete confidence, should be sent with a full curriculum vitae to:-

C. E. Fiddian-Green,
Antony Gibbs & Sons, Limited,
3, Frederick's Place, London, EC2R 8HD.

هكذا من الأصل

Are you capable of earning £75,000?

A long established City Group is seeking two first class INVESTMENT SALES EXECUTIVES for a new futures management venture commencing May 1983.

Applicants aged 30 or above would be preferred, with stockbroking or finance marketing experience involving institutional and private clients. The two Executives would be given specialised training and be expected to work in partnership, following up their own and Company introductions.

This is an opportunity that calls for energy and initiative. The successful applicants will be capable of generating a very high level of income and will receive Company cars, and Group Pension and BUPA Schemes.

All replies will be treated in the strictest confidence.

Please write to Box A.8073
Financial Times, Bracken House
10 Cannon Street, London, EC2

Yorkshire & Humberside Development Association

A key marketing post in this regional organisation *responsible for the industrial promotion of the whole Yorkshire* and Humberside region.

ASSISTANT DIRECTOR

An increasing amount of the time and resources of this association is being spent in promoting the region in overseas markets, particularly the USA.

A substantial proportion of the Assistant Director's time will be spent in the USA and, therefore, experience of overseas marketing will be a very useful qualification.

The ideal candidate will be a graduate (or equivalent) with industrial or commercial experience or experience in the field of industrial promotions. He or she will have to be a self-starter capable of taking initiatives within an agreed strategy.

Salary circa £13,000 – £14,000 p.a. with a company car and attractive re-location package where necessary.

Please apply by letter, stating your qualification with an accompanying C.V. to: DMS (YHDA), 8 St. Johns North, Wakefield WF1 3QA.
(from whom further details can be obtained)

No later than 28th February, 1983.

THE INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES

seeks an

ASSISTANT DIRECTOR

to take charge of the Institute's regional security programme. This *programme is concerned with all aspects of international security* in the following areas: Asia, Africa, Latin America, the Indian Ocean and the Pacific Ocean. The successful appointee *may* also be required to assist with other activities such as the Research Associates programme and the bi-monthly journal, *Survival*. Applicants should have complete fluency in written and spoken English, a proven capacity for research and *publication* at *high standard*, experience in analysis of the security problems of one or more of the areas mentioned above and the ability to fit smoothly into small team *of busy* people. It would be desirable if the successful candidate also had competence in European security affairs and was aged between 35 and 45 years.

The closing date for applications is 31 March 1983. Applicants should submit a *full curriculum vitae* and *the names of at least three referees.*

It is hoped that the successful applicant will be able to commence duties in September 1983. The position is London based but international travel will be necessary. A salary appropriate to the duties of the post and the experience of the successful candidate will be paid. The appointment, subject to confirmation, will be for three years and will be renewable.

For further particulars please write to:
THE DIRECTOR, IISS
25 TAVISTOCK STREET, LONDON WC2E 7NQ

INVESTMENT MANAGER

Our client, a City based financial institution with funds of almost £700 million under management, seeks an Investment Manager with sound experience in both equities and gilts. Candidates should have good analytical skills and experience of institutional fund management as well as the ability to communicate with *senior management*.

Applicants should preferably be aged 30-40 and ideally have a degree or a professional qualification.

Salary which is negotiable would be in the range £16,000-£24,000 + benefits.

Please write enclosing curriculum vitae or ring:
BERESFORD ASSOCIATES LTD.,
118/119 Newgate Street, London EC1. Telephone: 01-606 5032/3

MINING ANALYST

Australian stockbroking firm seeks an experienced Mining Analyst to cover the major Australian resource companies. A knowledge of world-wide mining and commodity markets is essential. The position entails working initially in the London Office with a view to eventually being based in our Head Office in Sydney. The successful applicant will be expected to travel extensively. Salary negotiable. Good partnership prospects. Age 25-35.

Replies in confidence to Box A.8077, Financial Times
10 Cannon Street, London EC4P 4BY

The Investment Specialists' Consultancy

BREWERIES/LEISURE
£12,000 to £35,000 pckg

Analyst aged 24 to 32, or a known name, with knowledge of Breweries and/or Leisure who wishes to further develop a leading Stockbrokers' coverage of either of these areas and possibly the Tobacco or Distillers sectors.

ELECTRICAL ANALYSTS
£10,000 to £15,000

A number of our clients, leading Stockbrokers with first class reputations seek either young analysts aged 24 to 28 with 1 to 3 years experience and preferably knowledge of the sector, to join established teams or senior individuals able to takeover coverage of the sector.

INVESTMENT ANALYSTS
£10,000 to £15,000

Young analysts, preferably graduates, aged 23 to 28 with 1 to 3 years research experience to join either established sector teams within brokers, such as Financials, Paper & Packaging, Food Manufacturing & Electricals or institutions to cover both UK and international markets.

FAR EAST ANALYST
£15,000 to £30,000

High calibre individual aged 24 to 35 with a proven track record in analysing Hong Kong, Singapore and/or Malaysia to join highly regarded Far East team in a major UK broker.

For a confidential discussion *please contact:*
Stephen Embleton or Elizabeth Evans
in the strictest of confidence.

Stephens Associates
International Recruitment
44 Carter Lane, EC4V 5BX
Telephone: 01-236 7307

U.K. MANAGING DIRECTOR

BASED SHROPSHIRE

A top management opportunity will occur in 1983 with a wholly-owned UK marketing company of a USA international group.

The group specialises in sales/hire of a complete range of overhead access products including aluminium scaffolds, manually and self-propelled work platforms and other related products. The products are engineered and produced in USA and Ireland.

Applicants must have proven track record in executive management of all marketing operations to the industrial and construction fields. BMA (or equal) an advantage. Foreign languages a plus.

In first instance, send in strict confidence comprehensive CV including details of current remuneration basis.

Please address to:
Personal Attention of the Chairman
Box A8067, Financial Times
10 Cannon Street, EC4P 4BY

DO YOU UNDERSTAND *MONEY?*

Hambro Life are looking for people that do.

Our specialised and continuous training, coupled with hard work, energy and determination will do the rest.

In 1982 more than 250 of our Sales Associates earned in excess of £15,000. Many had no previous experience.

Successful applicants are likely to be between 25-55, live within 40 miles of London and be highly independent by nature.

Please telephone Max Hellicar on 01-405 5361

International Appointments

Bergen Bank International S.A., Luxembourg seeks

Managing Director

The present Managing Director will be returning to his motherbank as his period of assignment to the BBI expires, ultimo 1983. To fill this interesting and challenging position, his successor should be a competent banker with solid experience in international financing. Considerable emphasis will be put on personal qualities such as leadership ability and a cooperative attitude. Business is conducted in English, but some mastery of French and German will be considered advantageous. The period of assignment should be no shorter than 5 years.

Further information is obtainable from Managing Director Tore Smith Jørgensen, Bergen Bank International S.A., Luxembourg, phone (+352) 24 681, or from Deputy General Manager Tor Brekke, Bergen Bank A/S, Oslo, Norway, phone (+47 2) 40 05 50.

Applications should be sent to the Chairman of the Board, Managing Director Finn B. Henriksen, Bergen Bank A/S, p.o. box 286, N-5001 Bergen, Norway by March 1, 1983.

BERGEN BANK
INTERNATIONAL SA
LUXEMBOURG

BBI SA is an international bank, owned jointly by Bergen Bank A/S, Forretningsbanken A/S and Bøndernes Bank A/S, holding 65 pct, 25 pct and 10 pct respectively. Total liabilities and capital amount to GBP 320 million, and the present number of employees is 17.

U.S.A.

An opportunity arises in the North American office of a leading London Stockbrokers.

A good knowledge of international stock markets is essential and the position is one that carries excellent career prospects.

The successful candidate will be offered generous benefits and relocation expenses and the chance to join a young expanding team that has a very strong U.K. base.

Write Box A.8075, Financial Times
10 Cannon Street, London EC4P 4BY

CAREER OPPORTUNITY

A U.S.-based firm is opening an office in London engaging in the sale and acquisition of military equipment in Europe. Though not essential, a knowledge of military products, fluency in a language other than English, and a commercial background would be an asset in this position.

Salary is commensurate with experience in this field.

Please send all résumés, as well as a photograph, to:

P.O. Box 1005
Northridge, California
U.S.A. 91328

top level jobs abroad
$ 50 - $ 200.000+

EXECUTIVE SEARCH KNOWS NO FRONTIERS... For many top-level jobs today, it is no longer important what nationality you are. So the Executive Search Consultants who have to find the right man would welcome suitable candidates from abroad.

But how can they make contact with such candidates?

The I.C.A. *Executive Search Newsletter* provides an answer. It has subscribers in 68 countries. It lists over 500 high-level exclusive job opportunities each year; the information is provided, at no cost to them, by reputable search firms in many countries. A condition of publication is that these opportunities should not appear anywhere else. Subscribers and consultants alike thus have access to the world market for jobs and talent.

Subscribers can read the Newsletter at home in full security. If an opportunity interests them, they write to us, and we pass on the inquiry to the consultant. He then contacts suitable candidates.

The Newsletter is thus a simple, inexpensive way of keeping in touch with possible opportunities all over the world, in complete confidence - which makes sense even if your present job is reasonably satisfactory. Only subscribers can have access to these opportunities.

Air mail subscription rates for 10 issues:
• U.S.A.: US$175 • Canada: C$205 • Belgium: CBF 4800 • France: FF 600 • Holland: FL 325 • Sweden: KR 695 • Switzerland: SFR 275 • U.K.: £72 • Other European countries: US$160 or equivalent • Other countries outside Canada, Europe and the U.S.A.: US$185 or equivalent.

I.C.A. 3, RUE D'HAUTEVILLE - 75010 PARIS - FRANCE
SPECIMEN - TEL. (33) 1-824.63.45

NEW YORK — PARIS

* ALSO PUBLISHERS OF "THE M & A NEWSLETTER"

SAUDI ARABIA

Multinational Belgian-based company seeks immediately a Commercially Orientated

RESIDENT ELECTRICAL ENGINEER

Experienced in transformers and/or power systems, fluent in English and preferably also an Arab language, age between 30-50. Good salary, free accommodation. Two-year contract subject to extension if mission carried out successfully. Previous work experience in Saudi and with power utilities will be an asset.

Send application with full qualifications, previous employment and responsibilities held to
ACEC LONDON
Mr. R. Quataert
36-37 Piccadilly, London W1V 0PL

BERMUDA

Our current assignments on this tax free island include:

Eurobond Trader/Manager $40,000
to head up this small but active department. Relative City experience is essential. A degree is advantageous.

Chartered Secretary $45,000
to join a major law firm and work with a Senior Partner in all aspects of company law both domestic and international.

Chartered Accountants $35,000
to join an established insurance concern and perform a wide range of company accounting functions. Insurance experience preferred but not essential.

Certified Accountants $20,000
plus subsidised accommodation
to join a major Bermudan bank. Excellent positions for newly-qualified ACCA/ACMA Accountants.

In the first instance, please telephone:

C. D. Stock, MECI, FICB on 01-481 8111

BANKING & ACCOUNTANCY PERSONNEL SELECTION
Lloyds Avenue House 5 Lloyds Avenue London EC3N 3ES TELEPHONE 01-481 8111

HONG KONG

Diversified and self-financed private company (mainly financial) with interests in Australia, New Zealand, United Kingdom and the United States is preparing for a substantial phase of expansion in Australasia and Pacific region. An executive "all-rounder" with sound commercial experience and track record is required to join the small management team based in Hong Kong. Excellent prospects, terms and salary.

Write in own handwriting with fullest details to
Box A.8078, Financial Times
10 Cannon Street, London EC4P 4BY

EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its member organisations, not individuals, relating to employment of expatriates and nationals worldwide

01-637 7604

BANQUE PARIBAS

Dans le cadre du développement de ses activités *internationales, recherche pour sa*

Direction Bourse et Gestion Institutionnelle, un

Gestionnaire de portefeuille

spécialisé Extrême Orient, notamment le Japon.

Formation supérieure - 2 à 5 ans d'expérience.

Anglais courant indispensable.

Au sein de l'equipe, le candidat sera amené à assumer rapidement la responsabilité des investissements dans cette zone.

Le poste est à pourvoir à Paris.

Les candidatures manuscrites, accompagnées d'un curriculum vitae, doivent être adressées (sous référence BGI) à la Direction des Relations Humaines de la BANQUE PARIBAS - Boite Postale 141 - 75078 PARIS CEDEX 02.

MEDIA BA

APPOINTMENTS WANTED

ITALIAN INTERPRETER

speaking French, German, English and Spanish with 7 years' experience at the United Nations in Geneva, looks for a public relations job. Ready to travel for work.

Write to: Laura Giampietro
Viale Leonardo da Vinci, 223
I-00145 Rome, Italy

Accountancy Appointments

The Institute of Chartered Accountants in England & Wales

London — **around £15,000**

A vacancy has arisen within the Technical Directorate of the Institute of Chartered Accountants in England & Wales which offers a challenging opportunity to a high-calibre young accountant who wishes to contribute to the development of accounting standards. The successful applicant will provide support for the newly formed International Sub-Committee of the Accounting Standards Committee and other ASC working parties and will have frequent contact with leading members of the profession and with outside organisations. The experience which this post will provide should give the holder a unique advantage in developing his/her future career. There *are also opportunities for promotion within the Institute and for transferring to* other sections within the Technical Directorate. Candidates must be qualified accountants (male/female) preferably graduates in their mid/late twenties who are able to demonstrate clarity of thought on technical matters. *Candidates with the ability to speak one or more other European languages* will have an advantage. Salary will be dependent on age and experience.

Ref. 1264/FT. Apply to R.P. Carpenter, FCA, FCMA, ACIS, 2-5 Old Bond Street, London W1X 3TB. Tel. 01-493 0156.

Phillips & Carpenter
Selection Consultants

International Corporate Audit

London Based — PEPSI — **Up to £15,000**

PEPSICO are a multinational organisation with a group turnover exceeding 7 billion dollars.

Their European corporate audit team is responsible for advising on a wide range of financial and management procedures and controls. As a result of the group's policy to promote from the audit division, they now seek to appoint two qualified ACAs aged up to 27 with good public practice background or similar auditing experience.

Proficiency in a second language is required, preferably Spanish, French or German. Based in London, approximately 40% of your time will be spent visiting company locations worldwide.

An excellent salary package is offered plus genuine opportunities for promotion within 2/3 years. To apply, please write to or telephone Michael J. R. Chapman quoting ref: 6196.

Lloyd Chapman International
123, New Bond Street, London W1Y 0HR 01-499 7761

Tax Accountant
circa £15K plus car

G D Searle & Co is a major US Pharmaceutical manufacturer with European corporate offices located in High Wycombe, Bucks.

Due to growth of business in Europe, the Group's European Taxation Manager requires a Taxation Accountant to assist in tax planning for the European Region with particular emphasis on UK tax matters. The successful candidate will work closely with US and European Region financial management and some overseas travel will be necessary.

Applicants should have a recognised accountancy qualification and sound taxation background, preferably with some commercial experience. Ideally candidates should be over 28.

An attractive fringe benefit package is offered including pension and medical insurance.

Please apply enclosing your cv to John Williams, Personnel Director, Searle Pharmaceuticals/Consumer Products, Lane End Road, High Wycombe, Bucks HP12 4HL.

Telephone: High Wycombe (0494) 21124.

SEARLE

GROUP CHIEF ACCOUNTANT

Millwall, E.14. — **c. £16,000 p.a.**

John Lenanton & Son Ltd. is a successful and expanding private company with subsidiaries operating as timber importers and merchants from its main base in the London Docklands Development Area, together with a high performance window manufacturing unit at Berkhamsted.

We wish to recruit a Group Chief Accountant who will be responsible to the Managing Director for the financial and accounting functions, with the emphasis on developing improved management information. The Chief Accountant will be expected to implement the Company's new computer based system.

Candidates should preferably be living in London or the Home counties, aged 30-45, shall be qualified and should have wide experience of operating within a privately controlled business and with computers. The salary is negotiable, plus a car, annual bonus and other benefits.

Applicants should write in confidence with full details of previous experience and current salary to:

The Managing Director (Ref: GCA/FT)
JOHN LENANTON & SON LTD.
West Ferry Road, Millwall E14 8JZ

FINANCIAL CONTROLLER
BRUSSELS
£18,000 + Car

Our client is a major US multinational with an excellent growth and profit record. This appointment within the European Finance Management Team provides responsibility as Financial Controller for a leading profit centre.

The role affords close involvement with the Managing Director in business planning and development exercises as his deputy, and day-to-day control of a staff of 20 plus.

The preferred candidate, a graduate Chartered Accountant currently employed within a major firm, will be well versed in US reporting practices and under age 30.

Call Bill Curteis BA on 01-248 6321 Ref: 5783

Personnel Resources Limited HILLGATE HOUSE, OLD BAILEY, LONDON EC4M 7HP.

Accountancy Appointments

Finance and Accounting Manager

Marketing & Distribution
South London
c.£19,000+car

The company forms a major part of the UK operations of a large oil group. The requirement for more responsive management information, and rapid growth to a turnover approaching £300m. has placed increasing demands on the accounting function. In response, the department has been restructured, creating this opening.

Reporting to the Finance Director, the job holder will lead and control a young, well-motivated team of 12, ensuring high technical standards are attained and performance objectives met. A major priority will be the continuing development of the fully-integrated, sophisticated on-line computer systems, currently being installed.

Candidates must be qualified accountants who can demonstrate success in leading an effective accounting team within a marketing-led, high volume environment. Basic accounting skills are as important as experience of working at the centre of a large multinational group. Strong personal presence, enthusiasm and flexibility will fit well with management. Age range 35-40.

Please reply in confidence giving concise career and personal details and quoting Ref. ER563/A/FT to I. D. Tomisson, Executive Selection.
Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

Arthur Young McClelland Moores & Co.
A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

INSOLVENCY PARTNER DESIGNATE

Aged 35-45 — to £30,000+car — WEST COUNTRY

Our client is a major international firm of chartered accountants, seeking to recruit an experienced insolvency specialist at partner level. Candidates should be able to demonstrate considerable experience in investigations, liquidations, receivership and bankruptcy work and now be holding a managerial or partner post. Whilst chartered accountants would be preferred full consideration will be given to other appropriately qualified applicants. The successful candidate should proceed to full profit sharing partnership status within 12-18 months.

A detailed handout is available and applicants should send a brief C.V. highlighting their experience to George Ormrod, B.A. (Oxon) at our London address quoting reference No. 3857.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS — Douglas Llambias Associates Limited, Accountancy & Management Recruitment Consultants

Major U.K. group

FINANCIAL CONTROLLER International Operation

London — circa £14,000 p.a.

Our client is a major U.K. group involved in diverse activities and with a sustained record of growth. Due to internal advancement they now wish to recruit a Financial Controller who will report to the Director of the international operations. He or she will also participate as a member of the group finance team, contributing to finance policy decisions in the group. The successful candidate will be responsible for every aspect of accounting for the international operations and will provide an effective finance and management information service including strategic planning, systems improvements and financial appraisals.

Candidates should be qualified accountants, who have had around two years post qualifying experience in either commerce or industry. A high level of maturity, enthusiasm and ambition is required. Some overseas travel will be necessary. Prospects for further career development within the group are good.

Written applications containing career details should be forwarded, in confidence, to Robert N. Collier at our London address quoting reference number 3908.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS — Douglas Llambias Associates Limited, Accountancy & Management Recruitment Consultants

TOUCHE ROSS & CO., MANAGEMENT CONSULTANTS

Seek

Accountants in London and Manchester — at £15,000-£20,000 + car

We continue to experience an increase in the demand for our services and now need additional consultants to satisfy this requirement.

The people we seek will probably be in their 30's with both a first degree and either an accountancy qualification or MBA. They must also have several years' relevant experience in industry, commerce or the public sector.

Our work is as varied as our clients, who range from small concerns to multinational corporations. In addition to U.K. work, our consultants have opportunities to participate in projects overseas.

Personal and technical development is encouraged and assisted both within your first discipline and in complementary skills such as computer aided decision making. We also offer training in oral and written communication and negotiation skills, but you will benefit most from the people you work with and the projects to which you are assigned.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting reference: 2091, to G. J. Perkins.

Touche Ross & Co, Management Consultants
Hill House, 1 Little New Street, London EC4A 3TR
Telephone: 01-353 8011
A member of the Management Consultants Association

Financial Controller

Board Potential

Winchester, Hants.
c £15,000+car

This independent Food Processing group has a record of uninterrupted sales and profits growth throughout the past five years. Turnover this year is likely to exceed £20 million.

Stringent financial control will, however, be critical to their continuing success and they therefore wish to recruit a high calibre Controller to be responsible to the Managing Director for all accounting and financial aspects of the business.

The position calls for a Qualified Accountant, aged 30 to around 37, with at least 3 years broad industrial experience, including preparation of accounts and management information, budgetary control and the development of computer based systems.

An attractive remuneration package is offered, including a fully competitive salary, executive car, non-contributory pension and relocation assistance.

There are excellent career prospects and an appointment to the Board is envisaged within the medium term.

Please send concise personal, career and salary details, quoting ref: W2001 to W.S. Gilliland, Executive Selection Division.

Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW.

A move from the profession into corporate finance with a leading financial institution . . .

INVESTIGATIONS ACCOUNTANT

City — c.£15,000 p.a.+benefits

Our client is a substantial British financial institution offering a broad range of services within banking and finance. An important unit within its operations, engaged in lending to small and medium-sized businesses, now seeks to appoint an accountant to a key investigative role.

The successful candidate will exercise considerable business judgement as well as accounting skills through investigation, analysis of commercial viability and the provision of substantive recommendations upon which lending decisions can be made. As such, the appointment represents an excellent entree into a corporate finance career.

Applications are invited from qualified Chartered Accountants, aged in their late 20's to early 30's currently at Assistant Manager or Manager level within a large public practice. In addition to accounting, audit and investigations experience, candidates must possess a well-developed business sense and a strong personal presence.

Written applications containing relevant career details should be forwarded, in confidence, to Robert N. Collier or Richard Norman F.C.A., at our London address, quoting reference number 3883.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS — Douglas Llambias Associates Limited, Accountancy & Management Recruitment Consultants

MANCHESTER CHARTERED ACCOUNTANTS SEEK PROSPECTIVE TAX PARTNER
Initially up to £20,000 per annum plus car.
Write Box A 8079, Financial Times 10 Cannon Street, London EC4P 4BY

MEMORANDUM

TO: ALL RECRUITMENT CONSULTANTS
FROM: MALCOLM HUDSON
DAVID SHRIBMAN

Since our inception in 1977 we can proudly claim that we have become one of the leaders in Accountancy and Finance Recruitment. Our other success story is that in the past two years we have considerably broadened our business base to include successful recruitment at General Management levels in all commercial and industrial disciplines.

For 1983 we make two predictions, firstly that our business will continue to grow and secondly that we face our toughest assignment to date—namely to recruit high-calibre Consultants capable of adding to and sharing in our growth.

We are particularly keen to meet ambitious, self-motivated Consultants with direct experience of either the "retainer" or "file search" business methods and who expect high rewards based on individual achievement. In return we can offer senior appointments in a young go-ahead company where you will be given every encouragement to share in our success.

Replies to this memo will be treated in the strictest confidence and can be made in writing or by telephone.

Hudson Shribman International
College Hill Chambers, 23 College Hill, EC4 — 01-248 7851

ema

Deputy Controller

to £17,500 + Car

A well known and respected publishing organisation, our London based client has a turnover of £100 million. Internal promotion and a requirement to improve efficiency and control necessitates the strengthening of the financial function.

With the emphasis being the management of 100 staff in the accounting function, the Deputy Controller will work closely with senior management in the administration and operational areas of the company. Responsible for introducing both manual and computerised procedures, he or she will additionally participate in budgets, union negotiations and the analysis of commercial plans.

Aged 28-35, applicants should be qualified accounts with both line management and systems development experience. Please write enclosing a career history and day-time telephone number to David Hogg FCA, quoting reference I/2161.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD
Telephone: 01-242 7773 (24 hour).

EUROPEAN CONNECTIONS to £12,000
An opportunity for a qualified ACA/ACCA 24+ to gain prospects to Financial Controllership in two years. As an Operational Auditor you will gain broad financial experience visiting subsidiaries throughout Europe and South Africa, making a critical assessment of the complete operation. BEDS. REF: SC/1055J.

MERCHANT BANKING c£13,500 + Bens.
An invaluable career opening for a Management Accountant carrying prospects to a Financial Controllership. Candidates should ideally be qualified ACA's with 2 years' experience in the finance sector, or in a sophisticated commercial environment. Past experience will include a sound knowledge of managament accounts and good systems exposure. CITY. REF: RWP/1019K.

OVERSEAS OPPORTUNITIES £12,000-£25,000 + Bens.
A number of major international companies can offer challenging overseas positions to adaptable, self reliant accountants. At varying levels of seniority you will gain international experience plus the opportunity for capital accumulation. Whilst most of our clients are seeking previous overseas experience, there are excellent openings within the profession for recently qualified Chartered Accountants seeking their first move overseas. Various locations in the MIDDLE EAST, AFRICA and EUROPE. REF: JG/OT.

All applications will be treated in the strictest confidence.

ROBERT HALF
LEE HOUSE, LONDON WALL, EC2. 01-606 6771.
SEARCH & RECRUITMENT

Management Accountant

High growth environment. Watford to £12K + bonuses

CASE is the leading UK manufacturer of sophisticated data and office communication systems. Founded as a small, private concern in 1970, the company now has over 500 employees and a stock market quotation. Heavy investment in research and development has led to market leadership in several of our product areas.

With rapid expansion in the UK and overseas an excellent opportunity has arisen for an intelligent, newly qualified Accountant to make an immediate impact on the control and dissemination of management information. Probably a graduate ACMA or ACA with an interest in Management Accounting, you will be in your mid-twenties with the self-motivation and enthusiasm to progress your career rapidly within a dynamic growth environment.

Working closely with Production Management your role will involve analysis of manufacturing output, stock levels and labour and material standards. In addition you will improve management information, further develop computerised systems and forecast and monitor product costs and margins.

A salary of up to £12,000 p.a. is offered together with generous company benefits, which include bonus and profit share.

Please telephone, or write, to Maureen Greaves, Personnel Manager at:

Computer and Systems Engineering PLC
Caxton Way, Watford Business Park, Watford WD1 8XH, Hertfordshire. Tel: Watford 33500.
CASE

THE UNIVERSITY OF MANCHESTER
BURSAR'S DEPARTMENT
INTERNAL AUDITOR

Applications are invited for the above position from suitably qualified accountants with several years' post-qualifying experience at a senior level. The Internal Auditor is a senior appointment established in the Bursar's Department and applicants must be able to demonstrate that they possess technical skills of a high standard coupled with an ability to communicate effectively at all levels within the University. The successful candidate will be expected to contribute fully to the improvement of procedures and controls within the University. Experience of computerised accounting and financial systems is essential. Salary range p.a. £12,920 to £16,180 (Administrative Grade III). Superannuation. Particulars and application forms (returnable by February 21st) from the Registrar, The University, Manchester M13 9PL. Quote ref: [illegible]/FT.

NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS

THURSDAY 3rd MARCH, 1983

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Thursday 3rd March 1983, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." Advertising rates will be £31.50 per single column centimetre. Special position are available by arrangement at premium rates of £37.50 per s.c.c. Newly Qualified Accountants, especially Chartered, are never easy to recruit—don't miss this opportunity!

For further details please telephone 01-248 4782 or 01-236 8763

هكذا صدر الأصل

Accountancy Appointments

Senior EDP Auditors

Financial & Operational Audit

to £17,000

Deloitte Haskins and Sells, one of the major international accountancy firms, have a number of vacancies for senior EDP auditors at various UK offices, including London.

Successful candidates, after a period of initial training in the firm's advanced computer audit techniques, will be expected to undertake audit assignments and advise clients in the design of their computer systems and controls, the security of their computer installations and the effectiveness and efficiency of their use of computers.

Computer audit is a dynamic and rapidly growing part of the practice and promotion prospects are excellent. Career paths can also lead to Management Consultancy.

Applicants should have at least five years' technical computer systems experience in a company with excellent DP standards, or an equivalent period in EDP audit. The preferred age is 27 to 35. A good degree or professional qualification is a definite advantage. Candidates with less than five years experience would be considered for less senior positions.

Applicants should send brief details of education, salary progression and experience to Geoffrey Smart, at the address below.

Deloitte Haskins+Sells

128 Queen Victoria Street, London EC4P 4JX

Group Financial Controller

Information Systems Strategy

Main Board Prospects

c.£30,000

FMC plc, the listed parent of the FMC Harris Group, requires a top Accountant to devise and implement a new strategy for management information systems throughout the company.

Turnover currently exceeds £400 million p.a. Candidates must possess strong commitment to the principle of management controls, an outstanding record in improving business systems, excellent communication skills and acute commercial awareness. The appointee will probably be a Chartered Accountant aged 35–45, currently holding a senior position in a large company.

The Group Finance Director will retire during 1985 and the Controller will be an obvious candidate for his position. The remuneration package is fully negotiable and should not be a limiting factor. Location Knightsbridge.

Please write in confidence, detailing relevant experience, to N. P. Halsey, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD. Alternatively telephone him on 01-236 8000 x 2549.

Peat, Marwick, Mitchell & Co.

Executive Selection Division

GUIDE TO ACCOUNTANCY RECRUITMENT CONSULTANTS

On Thursday, 3rd March 1983, the Financial Times proposes to publish a recruitment feature for newly qualified Chartered Accountants to coincide with publication of the list of successful candidates in the Institute of Chartered Accountants Part II examination.

As part of this feature we will be including a comprehensive guide to recruitment consultants serving the accountancy sector. Entries, which will include company name, address and telephone number, will be charged at £45. Additional information can be included at £10 per line.

To book space or for further information call:

FRANCIS PHILLIPS on 01-248 4782

Challenging opportunity with a diversified multinational...

FINANCIAL CONTROLLER

London **to £18,000+car+benefits**

This appointment is an ideal opportunity to join a major successful multinational group in a demanding role within one of its main divisions operating on a worldwide basis.

The successful candidate will work closely with the Chief Executive of the sector concerned and be involved in the overall business development. He or she will be responsible for the entire financial function with particular emphasis on costing, inventory control, stocks and receivables.

Candidates should be qualified accountants preferably with a degree in science or engineering, aged in their early 30's, who have developed a good practical experience within an industrial or manufacturing environment. The nature of the appointment is such that it demands a high level of personal skills and a keenly developed commercial awareness.

Written applications containing career details should be forwarded, in confidence, to Robert N. Collier at our London address quoting reference number 3907.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS — Douglas Llambias Associates Limited, Accountancy & Management Recruitment Consultants

Conceptually Minded Accountant

(CONTROLLER POTENTIAL)

to £12,500 + bonus

ISLEWORTH, MIDDLESEX

A decisive and progressive thinking ACMA aged 25+ is to be appointed to a general management position within this highly profitable and dynamic UK company.

This is a broad role within the high technology industry and requires the selected candidate to work closely and effectively with Marketing and Field Services, providing internal consultancy to line managers on planning, business reports and special projects. A specific task will be the re-designing of the present management information systems.

Client negotiations on new and existing contracts will form an integral part of the brief. It is critical therefore that the appointee possesses the ability to project the company's position firmly but pleasantly. Pre-requisite qualities are a high degree of integrity and perception, combined with an innovative approach.

The commercial involvement peculiar to this post is seen as an ideal base for future career progression inside the organisation.

Apply in confidence to:-

Sedgwick, Sedgwick & Goodyer

170 Bishopsgate, London, EC2M 4LX. 01-283 3621

Senior accountancy & financial management selection

HP BULMER GROUP

Drinks Division-Finance Director

The Drinks Division of the H P Bulmer Group has been formed following the recent re-organisation of the Group's management structure.

The Drinks Division is responsible for a turnover of approximately £75m through the production and marketing of brand leaders, Woodpecker, Strongbow and Pomagne in the growing cider market. It is also responsible for distributing a number of well-known wine and spirit brands, including Glenmorangie Single Malt Whisky, Vat 69, Domecq Sherries and Pol Roger Champagne. It also acts as distributor for Perrier Water and Red Stripe Lager.

The new position of Divisional Finance Director has arisen as a result of this reorganisation and applications are sought from experienced and suitably qualified accountants who would like to join this exciting growth company working from the Head Office which is situated in the county town of Hereford.

The ideal candidate in the age range 32-36 may presently be a Financial Controller or a Finance Director in a medium-sized company, having a turnover greater than £25m and who has had wide experience, but preferably in companies engaged in the manufacturing and marketing of fast-moving consumer branded goods. Experience in a wide commercial role would be an advantage.

Candidates presently earning less than £20 000 per annum are unlikely to have had the relevant experience.

The person appointed must be technically competent in U.K. taxation, company law in regard to company accounts, current cost accounting, financial planning, investment appraisal, data processing and the latest SSAP s.

The level of remuneration envisaged reflects the importance of this position. The company operates a non contributory pension and life assurance scheme, assistance with BUPA and a profit sharing scheme. A company car is provided together with relocation assistance.

If you would like to join this successful, independent company, please write briefly to me, giving details of background and career to-date.

John Rudgard, Managing Director – Drinks Division, H.P. Bulmer Ltd. The Cider Mills, Plough Lane, Hereford HR4 0LE.

Bulmers' Cider

and a lot more besides

SMITH KLINE & FRENCH LABS LTD

FINANCE MANAGER

c£15,000+

SK & F is a leading U.S. pharmaceutical company which can offer excellent career prospects to an ambitious, commercially aware accountant. The position will control all financial aspects of overseas operations in Africa, the Near East and Eastern Europe. Key responsibilities include forecasts, budgets, review of business methods and assessment of operating performance. This senior appointment offers exposure to top level management both in the U.K. and overseas. Suitable candidates will be qualified accountants, in their late 20's, possessing good communication skills and a proven track record, preferably within a U.S. multinational. Full relocation package available.

Ref: JG/1003D WELWYN GARDEN CITY

Please apply directly to:

ROBERT HALF

LSE HOUSE, LONDON WALL, EC2

Director of Finance

from £24,000+car+bonus

United Information Services Limited is a wholly owned UK subsidiary of United Telecommunications Inc. with a turnover of £10m providing consultancy and computer bureau services to national and international clients.

We are seeking to appoint a Financial Director who will be expected to provide commercial and financial input to strategic and operational policy decisions. He/she will be based at United House, our London headquarters in the City supported by a staff of 15 and directly responsible to the Executive Vice-President in the U.S. for the financial control of the UK group.

Candidates must be able to demonstrate impressive career development in an organisation using computerised accounting methods and relying upon highly efficient management information systems. In addition to outstanding skills in analysis and reporting and the ability to work against tight time-scales, we are looking for strength in overall management at director level and a flair for communications to build up close working relationships with senior management on both sides of the Atlantic.

The successful candidate will be a qualified accountant in their late 30's. Benefits are those expected of an international leader and further career progression will depend on his/her contribution to the planned growth of a formidable computing force.

Applicants are invited to write for an application form or submit detailed c.v. to Helen Gardiner, Personnel Director, United Information Services Limited, United House, 56/64 Leonard Street, London, EC2A 4AN. Applications to be returned no later than 25th February.

UNITED INFORMATION SERVICES

RESOURCEFUL ?

Accountancy Resources is a division of Barget Plc., a publicly quoted company. It has been established to undertake search and selection assignments within the Accountancy and Financial Services sectors and concerned predominantly with the placement of professionally qualified staff.

We are retained by a number of commercial, industrial and City organisations seeking to recruit highly-motivated accountants with proven track records.

Professional, commercially-orientated individuals are invited to discuss either these or future career development opportunities in detail by writing or telephoning one of the following:

Alex Steele, Martin Krajewski or Susan Firth

83 Victoria Street, London SW1H 0HW Telephone: 01-222 7231 Telex: 8956012

Accountancy Resources

A Division of Barget Resources Ltd

emа

Computer Audit

c. £16,500 + Car + Low Cost Mortgage

London

Adding computer expertise to an expanding audit department of high calibre staff, the Auditor will concentrate on the initiation of procedures and controls applicable to developing computerised systems. Travelling approximately 10% of the time internationally, he or she will liaise extensively with and influence the decisions of senior operational and technical staff.

Our U.S. client is one of the world's leading financial institutions with branches and diversified operations throughout Europe, the Middle and Far East and South America. Applicants, aged 27-32 should be qualified accountants with computer audit or systems consultancy experience. Please telephone David Hogg FCA, quoting reference I/2162.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD
Telephone: 01-242 7773 (24 hour).

Capital Projects Appraisal

Deputy Manager

City *c.£20K+Car+benefits*

Our client is a major financial institution which is spending upwards of £90 million a year on internal capital projects. All proposals involving an expenditure of over £¼ million are handled by the Investment Appraisal Unit, a small team of professionals based at head office in the City.

The impending promotion of the Deputy Manager of the Unit creates a vacancy which our client is keen to fill as soon as possible. The position reports to the Manager of the Unit and involves the preparation of detailed assessments and recommendations for senior management and the Board.

Candidates, aged between 35 and 45, must be chartered accountants with a good academic record and experience in the appraisal of major capital projects involving premises and equipment. A combination of professional experience in a major firm of accountants and several years practical experience in a large commercial/industrial organisation will be a distinct advantage. A high level of inter-personal skill is necessary, and some travel in the UK will be required.

In addition to a demanding and interesting job with good career prospects, the successful applicant will receive an exceptionally generous package of financial and other benefits.

Candidates, male or female, should write for a personal history form to Alan Gilmour, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY. Please quote reference MCS/9009.

Price Waterhouse Associates

CHIEF ACCOUNTANT

TO IRISH £15,000 + CAR

required for subsidiary of U.K. company in Skibbereen, Co. Cork, Ireland.

A qualified accountant is required to take full responsibility for all financial matters relating to a rapidly-expanding manufacturing subsidiary based in West Cork.

The successful applicant will have held a senior position in a manufacturing environment with exposure to computerised systems. The post will include responsibility for all on-site financial matters, including liaison with bankers auditors, insurers, etc. In addition, regular and prompt reporting to the U.K. parent company will be of utmost importance.

Please apply in confidence with curriculum vitae to:

P. T. Samuels F.C.A., Group Financial Director
SPIRALUX LIMITED
128 High Street, Edenbridge, Kent TN8 5AY

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

RATE: £31.50 per Single Column Centimetre

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

The UK battery market

Where Ever Ready made its mistakes

BY DAVID CHURCHILL

BRITISH Ever Ready has not recently been living up to the literal meaning of its famous name; the company that has dominated the UK battery market since the early part of this century has clearly failed to be "ready" to respond effectively to significant changes in all aspects of the market for batteries.

Now Hanson Trust, which took over Ever Ready in December 1981 following a battle for control with rival bidder Thomas Tilling, has been forced to pump some £2.5m into a massive new advertising and promotional campaign aimed at arresting Ever Ready's market decline in Britain.

At the same time Hanson has clearly decided that Ever Ready's future lies firmly in the UK. Just before last Christmas it sold its continental battery manufacturing operations to the U.S.-owned Duracell group—its major rival in the UK and some other world markets—for £37m cash.

This followed an earlier decision to pull out of manufacturing batteries in Hong Kong. Now only Africa remains as a main overseas territory—and some City analysts suspect this may go in the long term.

Founded at the turn of the century, Ever Ready has long held a monopoly position in the zinc carbon battery market—in the mid-1970s between 80 and 90 per cent of batteries sold in the UK were the zinc carbon type (the other main type being alkaline) and Ever Ready had some 70 to 80 per cent of this market.

Ever Ready's marketing mistakes really began to show in the mid-1970s—and continued unheeded despite warnings in a 1978 Price Commission report. This concluded that Ever Ready was "moving from a situation where risk had been minimised to one where the reverse is likely to be the case."

A year earlier a more tangible threat had been the Monopolies and Mergers Commission's move to sever Ever Ready's 30-year association with Duracell, a step which paved the way for Duracell's aggressive campaign in the UK for long-life alkaline batteries.

It was from this point that Ever Ready's management fell victim to a series of classic marketing mistakes.

Competition: This was underestimated. Duracell attacked the UK market not on Ever Ready's traditional ground of zinc carbon batteries but on alkaline batteries.

Though more expensive to produce, these can last up to ten times longer. Duracell believed that the long-term trend in the UK would follow the U.S. pattern where alkaline outsells zinc carbon by about two to one—a forecast which seems increasingly likely to be fulfilled. Alkaline batteries now account for about 26.6 per cent of the £175m battery market, with zinc carbon's share having fallen to 65.2 per cent.

Market changes: These were misread and Ever Ready therefore failed to recognise the developing trend towards increased sales of alkaline batteries. The basic change in recent years has been the surge in different electrical products on the market arising from the rapid development of microprocessor technology, a surge which has made consumers increasingly aware of different battery types.

Electronic toys and games, for example, now account for over 12 per cent of batteries used, compared with 7 per cent in 1979. Over the same period, the use of batteries in radios has fallen from 44 per cent to 39 per cent.

Distribution: Ever Ready's third marketing mistake was to misjudge the changing patterns of distribution. Traditionally, distribution was through specialist retailers, such as radio and electrical retailers, chemists, and photographic shops. However, as consumers became more battery conscious, batteries came to be regarded as a regular item of the shopping basket. Thus there has been a growing trend towards battery sales through supermarkets—reflected in the fact that more women than men now buy batteries. (In 1978, only 48 per cent of battery purchases were made by women; by 1981 that figure had risen to 56 per cent.)

Ever Ready's blinkered approach was typified by its disdain towards repeated requests from the J. Sainsbury supermarket chain in the late 1970s for a different marketing approach.

Sainsbury wanted to introduce developments such as "bubble packs" of batteries on a card-base—easier to handle than selling loose batteries—and provide more consumer information such as date-marking the battery's shelf life. "But Ever Ready at that time was not even interested in talking to us about it," says Peter Davis, Sainsbury's assistant managing director. "So we decided to do a classic own-label operation and find an alternative supplier to make our own batteries."

Sainsbury was eventually forced to turn to the continent for supplies—from the Philips group—and now "a substantial amount" of its sales are own-label. Davis points out that the present Ever Ready management is now more flexible in its approach.

Ever Ready did not acknowledge the growing power of the supermarkets until too late; an increasing number of food stores now stock imported batteries (led by Vidor and Varta with about 5 per cent of the market each) and Far Eastern imports are also making rapid inroads into the UK distribution network.

Response: Instead of launching its own mass-market alkaline battery in response to Duracell's attack (it already had a specialist one in its range) it decided to promote a new improved zinc carbon battery. Bob Winstone, Duracell's marketing manager, willingly acknowledges that this battery—called Power Plus—has "had a significant impact on the declining zinc-carbon sector since its introduction in 1980."

But that impact was not enough to stem Duracell's growth: now, Ever Ready is belatedly planning the launch this year of its own mass-market alkaline battery.

Since Hanson Trust acquired Ever Ready completely in December 1981, the company's marketing strategy has gradually unfolded.

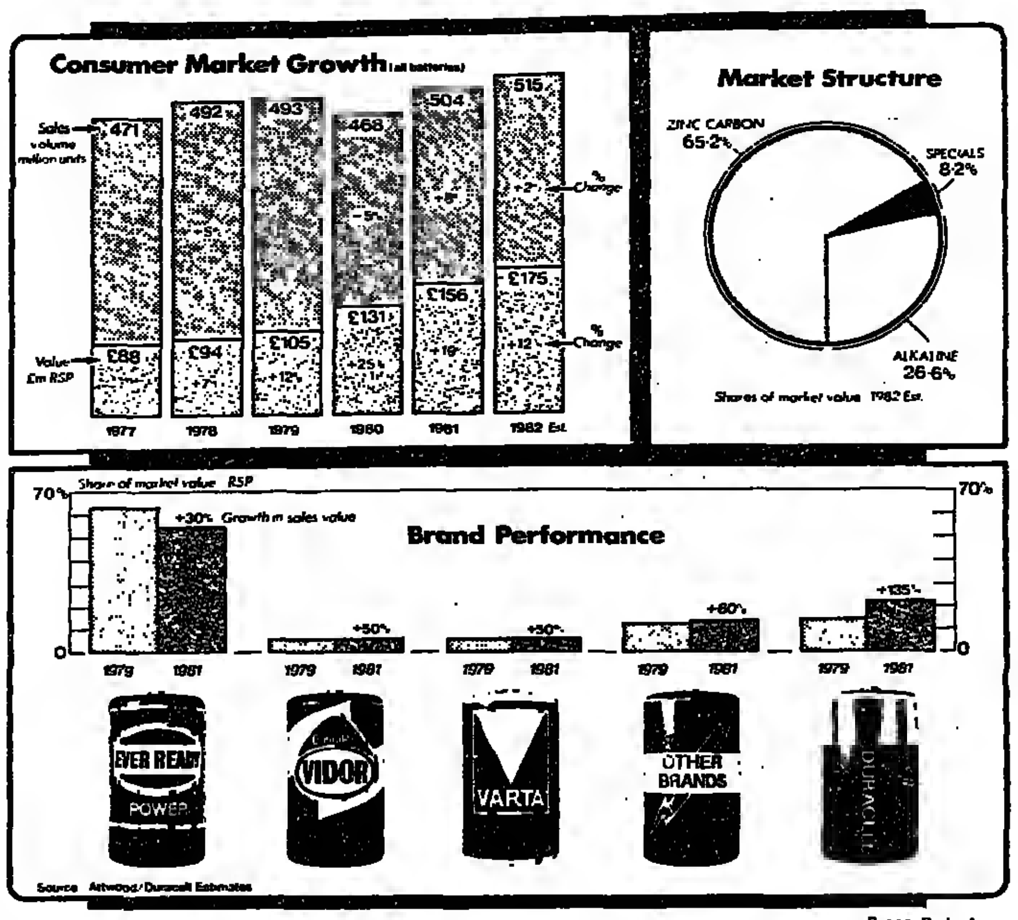
The main thrust has been through television advertising—which started last autumn and is currently costing about £2m in media expenditure, about four times Ever Ready's previous advertising spend — with a further substantial amount being spent on "below-the-line" promotions.

"We want to reinforce the strong brand loyalty we know we have with the consumer and create an awareness of the range we offer to meet the differing demands for batteries in modern electrical products," says Peter Bonner, who took over as marketing director last year after a spell with the company's German operation.

Apart from its costly television advertising, created by the Allen, Brady and Marsh agency, Ever Ready has embarked on a consumer education campaign to explain the different types of batteries that electrical products require. It wants to persuade consumers that they do not necessarily need the high-performance characteristics that an alkaline battery gives.

To help in this campaign, Ever Ready is currently rationalising its present unwieldy battery range, which it now agrees has tended to confuse consumers in the past.

"This time," admits Bonner, "we want to make sure we get our marketing strategy right." Hanson Trust, no doubt, will be hoping the same.



Brana Radovic

Colour magazines hit by fall in direct response advertising

READERS of the Sunday colour supplements will have noticed that they are mere shadows of their former selves. Their advertising content, once the bulging shopwindow for clock radios, telephone answering machines, organiser bags and jewellery are severely depleted—a sign of the doldrums now facing the direct response advertising market.

The one exception to this gloomy picture is the Sunday Express magazine which stands alone as a potent force with an increase in this sector of the market of more than 20 per cent in real terms. However, all the figures in a survey just published are based on rate card levels and do not reflect the heavy discounts some magazines are giving.

Direct response advertising to the six supplements and Barclaycard magazine in the final quarter of 1982 was down by a hefty 32 per cent in real terms compared with the final quarter of the previous year—just under £5m (calculated at rate card prices) as against £6.4m. These seven account for over half the total direct response market.

The new survey reports that 1981's big spenders, such as Kaleidoscope, R. J. Wiltshire and Scotcade, are either spending much less or are insolvent.

However, although direct response spending has declined on most products, the amount spent on different items varies. The personal computer boom—now accounting for 8 per cent of all direct response advertising — has saved the market from an even larger decline: advertising in this area has more than doubled on a year ago.

These findings emerge in the latest results from CLIPPER, a syndicated research service produced by Marketing Direction, which monitors product trends in direct response advertising.

Today's generation of spenders is headed by Aspect (£246,000), Sinclair (£226,000) and Sunday Express magazine own offers (£214,000). The previous market leaders were R. J. Wiltshire (£581,000), Scotcade (£471,000) and Kaleidoscope (£320,000).

After computers the most popular products in this field of advertising are jewellery, women's outerwear and women's suits.

One of the newest media comers, the Sunday Express magazine, with takings of just under £2m of the fourth quarter's 1982 revenues, has emerged as the most significant force, in spite of the slump. The biggest casualty has been the Sunday Telegraph magazine (showing a decrease of 74 per cent), followed by Barclaycard magazine (down 58 per cent), Sunday Times magazine and The Observer magazine. All four have lost revenue in real terms.

The Mail on Sunday's You magazine has not made any significant impact in this area; it has picked up £281,000 to take 6 per cent of this total market.

Marketing Direction, 6, High Street, Thames Ditton, Surrey. Tel: 39 88888.

Feona McEwan

Fitch face-lift for Timpson

THERE IS a curious irony about Timpson, the shoe retailing subsidiary of United Drapery Stores, calling in Rodney Fitch to revitalise its 248 shops nationwide. For Fitch is the man who so successfully revamped part of the Burton group (including Dorothy Perkins) which has just bid £78m for the Richard Shops, womens wear, and John Collier, menswear, chains—major retailing interests of the very same UDS group.

This revitalising of the Timpson retail outlets—which showed a healthy 15 per cent increase in profit in 1982 over the previous year, chalked up an annual turnover of £47m—is only the latest step in a metamorphosis spanning the last seven years.

When John Timpson, fourth generation of the shoe selling family returned to the business in the mid-1970s, he faced dropping market share, sinking morale—"no one likes to be part of a losing team, do they?"—and the problem that customers apparently feel that shoe shops in general give poor service.

"We've come a long way since then," he says now. "We had to put soul and character back into the business."

With a 3 per cent share of the UK shoe market, Timpson trades on having a good—though not particularly fashionable—family image, offering value for money, and being strong on service (it was the first shoe chain to introduce a code of practice covering complaints and testing of footwear).

The first two shops to get the Fitch treatment (starting in April) will be in the north of England, traditionally a Timpson stronghold, in Darlington and Wigan. Fifteen more conversions are planned for later in the year.

Features of the new-look Timpson shops will include judicious use of space, with open shop fronts to inveigle the customer inside, flexible display systems to accommodate different shop sizes, clear presentation of different shoe groups, and friendly colour schemes.

"It's not simply a case of re-designing; it's developing the business, retaining the same customers but tailoring the shops to meet their changing aspirations," says Fitch. Or as managing director John Timpson puts it: "Doing the same thing, only better."

Historically the group has had a strong customer base among men and children though shoes for the latter "could be beefed up," according to Timpson. He hopes now to widen the franchise to take in previously overlooked areas, especially young women's shoes and some sporting footwear.

Further changes on the Timpson agenda include a bolder company logo, better buying and presentation, a new training scheme, updated staff uniform, and concentration on regular in-store promotions.

F McE

THE ARTS

Gwen Taylor, Selina Cadell, Lesley Manville, and Deborah Findlay.

Top Girls/Royal Court

Michael Coveney

Caryl Churchill's tremendous new play opened last August at the Royal Court and Max Stafford-Clark's superb production returns intact to Sloane Square after playing a successful season at Joseph Papp's Public Theatre in New York.

You really must not miss this: *Top Girls* is about one of the most important social issues of our day. That is, how can women with careers survive as women in a man's world. The issue is not presented, however, in simple agitprop terms. It is imaginatively and beautifully dramatised around the life story of Marlene, a newly appointed managing director in a high class employment agency in London. Marlene's roots are in East Anglia, and the play's action is divided between a small home in the country near Ipswich and her London work base.

The play starts with an extended prologue during which distinguished feminine achievers from history gather to celebrate Marlene's appointment in an Italian restaurant, La Prima Donna. Here we have Pope Joan, the Scottish Victorian traveller Isabella Bird, a famous Japanese courtesan, Breughel's Dull Gret and Chaucer's Patient Griselda. Overlapping dialogue is a brilliant technical feature of the play, and emerging from the precisely organised cross babble we hear competitive stories of rape, childbirth, transexual disguise, ambition realised through learning, pregnancy and hunger.

This animated fictional tableau is immediately followed by the stark sight of one of Marlene's sidekicks auditioning a client. The women with power are shown to be flippant manipulators with Mike Leigh-style conversational tics. And their victims, desperate for work, lie and bluff their way into suitable postures for marketing executive positions with multi-national companies.

In the last scene, Marlene and Joyce are locked in sibling and ideological rivalry. Marlene believes in monetarism, Thatcherism, the individual, the free market. The crux of the play comes at the moment when Joyce asks her, in between gulps of whisky, what chance will her own rather stupid, untalented daughter have in such a cruel world. The human question clouds the issue, and Gwen Taylor as Marlene strikes a very deep chord of confused anguish. The carapace of hard, pragmatic get-up-and-go begins to crack.

A talented cast have a field day, switching from historical stereotype to the modern equivalent. *Top Girls* seems at first to be a piece written on the small scale, but the evening takes flight as great arcs of inter-connecting incident and observation light up the scenario. On the way there are acute studies of adolescent friendship (between Carole Hayman as the daughter, notable earlier on as the guzzling Dull Gret, and Lou Wakefield as a country neighbour with "a pash" and her first period) and hard-nosed industrial role-assignment.

Selina Cadell is Pope Joan and a frustrated spinster wanting out after 20 years in middle-management; Deborah Findlay is brilliant as the surrogate mother; and Lesley Manville and Lindsay Duncan have equal success as feminist totems and feminine cogs in the capitalist wheel.

Haydn's Orfeo/Oxford Playhouse

Max Loppert

In the fifth and final act of Haydn's *Orfeo*, drama at last enters the scene. Orpheus, wandering disconsolately, is beset by a band of bacchantes; when he resists their A major blandishments, they give him poisoned wine. After a powerful accompanied recitative, built upon foreboding orchestral unisons and unnerving little chromatic swerves, he dies; a storm arises—more strikingly coloured descriptive music in the orchestra—and the bacchantes flee. End of opera.

Haydn's *Orfeo ed Euridice ossia l'anima del filosofo*, written for London in 1791 but not performed there (the 1951 Florence production marked Maria Callas's single involvement in a *novità assoluta*; the piece was later briefly taken up by Gedda, Sutherland and Bonynge), is this year's choice for the Oxford University Opera Club. One stresses the signal impact of the final act perhaps because the preceding four, so richly worked in their music, noticeably lacked theatrical temper of this—or, indeed, of any—kind.

Badini's libretto for Haydn opens its narrative at an earlier point than Calzabigi's for Gluck's revolutionary *Orfeo* (30 years Haydn's senior). But the first two acts, setting the stage for Eurydice's death, move at a pace markedly different from Gluck and Calzabigi. Typical of the later *Orfeo*, it seems, is the way Eurydice's death aria, in a most beautifully gentle vein of E flat melody, announces her "ultimo sospir" a good many times before she finally effects it. In similar manner, unpierced by the sudden stroke that is at once musical and dramatic, are Orpheus' lament and the Metastasio-like air of reflection, in a lilting triple-time G major, for her bass father Creon: music of wonderful limpidity and tenderness, developed with an internal logic that seldom feels like the logic of the theatre.

The Haydn lover always hopes that each new encounter with the operas will disprove the accepted view of their inherently undramatic nature. Of the Haydn operas I've come to know, live and on record, *Orfeo* does its disproving least vigorously, and then only at a very late stage. This is not to say that it was not worth doing—even if the desire for drama is thus denied, there is plenty to please the ear meanwhile—or that by the Opera Club it was not creditably done. Stefan Janski's production, drawing its visual effects from artificial grass, gilt-painted chicken wire, and a hyper-active smoke machine, may at times have ventured with dangerously ambitious enthusiasm upon the theatre styles of Brook and beyond — styles not at all well adapted to the capabilities of a student chorus.

But the musical realisation, in which an impressive student orchestra was conducted (not always with sufficient variety of pace and accent) by Clive Brown, was sterling, with a cast for whom the familiar apologies of "university opera" needed no making.

Nigel Robson's Orpheus revealed a tenor of mettlesome technique and genuine artistic imagination; there were useful performances, albeit in raw Italian, by Philippa Dames-Longworth (Eurydice) and John Hall (Creon); and of the Cupid role—here a Sibyl with an elaborate display aria covering three octaves—we had a most delightfully fresh-voiced account, clear and true high above the stave (and audible below), by Eileen Hulse. Final showings tomorrow and Friday.

New operas from Glyndebourne

Glyndeborne Opera has taken a new direction with the announcement yesterday that, thanks to the sponsorship of S. Pearson, it is mounting productions of two new operas by Oliver Knussen based on books by Maurice Sendak. *Where the Wild Things Are* will open at the Lyttelton Theatre on the South Bank on New Year's Eve 1983 and run for 20 performances in January 1984. *Higglety Pigglety Pop!*, a new opera by Knussen with a libretto by Sendak, will be first performed at Glyndebourne in October 1984 as part of a double bill with *Where the Wild Things Are* and then the two fantasy operas will embark on a national tour with Glyndebourne Opera.

This is the first time that S. Pearson (which includes the Financial Times among its interests) has sponsored opera and also the first time that Glyndebourne has had commissioned works. The support amounts to £70,000. *Where the Wild Things Are* was produced in Brussels in 1980 but this will be its first staged performance in the UK. The BBC is to televise both operas and has, in fact, commissioned *Higglety Pigglety Pop!* for Glyndebourne. The double bill will give nine further performances at the 1985 Glyndebourne Festival.

Both operas will be directed by Frank Corsaro and the London Sinfonietta will play at all performances. This does not change Glyndebourne's long established relationship with the LPO which has just signed a long-term contract to play at Glyndebourne in the summer. Glyndebourne Opera hopes that the S. Pearson sponsorship will prove the start of a succession of commissions for new works to add to its established repertoire.

Les Boréades/Lyon

British rescue Rameau from neglect

Ronald Crichton describes how a neglected opera by Rameau has been revived by a British conductor and returned to France

Rameau's name, with Lully's, is emblazoned in gold on crimson high on the proscenium arch of the opera house at Lyon. When the theatre was built, 150 years ago in the reign of Charles X, how many people knew of the existence of *Les Boréades*, the big opera Rameau wrote towards the end of his long life, in rehearsal at the Paris Opéra when he died in 1764? For reasons not yet explained, the production was abandoned. Some dances were published, much later in a piano arrangement. Girdlestone, in his valuable book on Rameau, wrote at length about the score. For practical purposes, however, *Les Boréades* remained on the shelves of the Bibliothèque Nationale until quite recently, when John Eliot Gardiner made a performing edition and conducted it, to general acclaim, in the Elizabeth Hall and subsequently at the Proms.

Finally, at last year's Aix-en-Provence Festival, Gardiner's valiant labours were crowned by a stage presentation with the same Monteverdi Choir and English Baroque Soloists who had given the London performances. This co-production with Lyon has just been repeated in the aforesaid, very suitable, medium-sized opera house. The five performances were sold out, as were two big concerts by the British visitors. From every point of view, not only because of the rarity, difficulty and unusual nature of the main work, this was a remarkable achievement. One hopes, rather forlornly, that somebody up top notices, cares and feels proud.

The presumed author of the libretto of *Les Boréades*, Louis de Cahusac, was a dance enthusiast who wrote articles on ballet and kindred subjects for the *Encyclopédie*. This may explain why the libretto resembles an extended ballet scenario rather than an opera and why it demands large and precise contributions from dance and spectacle. The Aix-Lyon staging went further than is usual today towards meeting such demands. Economic and practical considerations no doubt limited the use of "machines"—Amor descended on a cloud but the muse Polyhymnia, to the most melting music in the opera, merely walked on from the side of the auditorium. Yet there was much to be thankful for. A riot of co-ordinated colour, for one thing — vermilion, madder, mushroom-grey and eau-de-Nil —and an open-handedness with costume materials possibly connected with local textile traditions.

Also, inevitably in so large and complex an undertaking, some things to regret. The opera is set in legendary Bactria, but instead of fantastic Baroque-traditional, the style of production was Watteau-pastoral. Some of the outlandish quality of the subject (reflected in Rameau's music) was sacrificed. It was a mistake, I thought, to dress Apollo and his suite as freemasons (Cahusac was a mason and Rameau said to be sympathetic) or to admit half-hearted use of recent techniques involving shiny, reflecting surfaces, looking in this context more dated than the quaintest Baroque contrivance. Between them, masonic references and perspex screens half-reflecting conductor and auditorium weakened a particularly fine musical sequence in act four.

Some of the principals were familiar from the London concert performances. Alphise the Bactrian queen, frustrated in her choice of consort, has lovely music to sing but dramatically is condemned to negative dudgeon. Jennifer Smith moped charmingly and sang as if Rameau's declamation were the easiest thing in the world. As the high priest Adamas, Francois Le Roux rivalled her in naturalness. Philip Langridge, an experienced high-tenor hero, shared the role of the prince Abaris (debarred from marrying the queen until Apollo reveals that he has the necessary Boread blood) with Wynford Evans, who sang musically but was impeded by an accident during rehearsals.

Jean-Philippe Lafont blustered imposingly as Boreas, god of the north wind. His descendants Borilée and Calisis, both laying unsuccessful siege to the queen, were sung by Gilles Cachemaille and John Aler—each had fine moments. Anne-Marie Rodde (Semire) is at ease in Rameau's high soprano writing but aparently indifferent to words. The curious conception of Apollo as a bookish, greying *philosophe* was unhelpful to Stephen Varcoe. For the divertissements, carefully integrated, full of astoundingly varied choruses and dance music, Lyon imported eight expert dancers from the New York Baroque Dance Company, proving that even a five-act *tragédie-lyrique* does not require large numbers. Catherine Turocy's often sparkling choreography relied too much on character dancing. Perfectly right to keep the tone light, but this meant an over-dose of mopping and mowing and gallant foppery.

In their raised pit the English Baroque Soloists were indefatigable in the service of Rameau's inexhaustibly surprising, ravishing, intricate score. The Monteverdi Choir revealed unsuspected theatrical abilities, with rock-firm intonation even when huddled on the ground in the cave of the winds. Once again John Eliot Gardiner was triumphantly alert and vigorous at the conductor's desk. The enthusiastic reception from a conspicuously young audience at the first two performances showed that this supposedly outmoded form of opera need not be a dead letter—except to those who believe delight for its own sake to be wicked.

Hallé Orchestra's new principal conductor named

The next principal conductor and musical adviser of the Hallé Orchestra will be Stanislaw Skrowaczewski.

Polish-born Mr Skrowaczewski, 59, will take up his appointment with the orchestra in September 1984, after making several guest appearances during the 1983-84 season. He has been a regular guest conductor since 1976.

Anglo-American/Elizabeth Hall

Dominic Gill

The main feature on Tuesday evening of the second of the London Sinfonietta's two Anglo-American programmes was the juxtaposition of Percy Grainger and Charles Ives. (Grainger was an Australian, but fair enough—his work is "steeped in English folk music".) The link is not unintelligent, and in a concert context potentially pleasurable and revealing. I object only, in general, to the suggestion explicit in the pairing that Grainger's stature was any higher than Ives's shin-bone; and in particular, to the opportunity it affords for further manic iterations by Grainger's biographer John Bird of judgments which are patently unhinged (In Tuesday's programme we were informed that "First and last Grainger was a master contrapuntalist—some say one of the most gifted and important since the time of Bach").

Ives, in his peculiar fashion, was a visionary genius among whose prolific productions are more than a few masterpieces which have stamped the history of music indelibly with their mark. Grainger, in his still more peculiar fashion, was a neurotically lovable visionary who wrote no masterpieces at all, but only a huge collection of dished-up, kitsched-up folk-song arrangements (which anyone who cares for the true spirit of folksong must abhor) and a large number of minor experimental works, some imaginative and fascinating, others remarkably dull.

It was a relief, at any rate, to find that this programme was for once sparing in its investigation of Grainger's British Folk-Music Settings—only three in all—and more liberal in its emphasis on Weird Experimental Fragments: best of all these, a group of three *Sea Songs*, the first two of which are minute swirls of dense early-Schoenbergian string counterpoint barely 15 seconds long, and the last and most striking, a powerfully concentrated contrapuntal mesh of 90 seconds for strings and harmonium. Grainger's *Free Musics* for Theremin band (played here in versions for strings) may indeed be "considered as experiments in free rhythms and polyphonic gliding tones"—precursors, in their tiny way, of Ligeti and Xenakis. But are they any the *better* for that?

A sequence, that was never intended to be a sequence, of very short pieces by Ives (including a pair of the oddly insinuating *Tone Roads*) was contrasted with the more substantial and most remarkable *Theater Orchestra Set* of 1906-1911. Even at his most sentimental, Ives is ruggedly uncompromising: "In the Inn," extraordinary linkage, almost cinematic in its technique, of fast scene-shifts; and "In the Night," magical, not so much evocation as invocation, of night and night-sounds.

Michael Finnissy's *Folk-Song Set*—one of two more recent works to which Grainger and Ives were the frame—is a re-arrangement (Grainger-style of an earlier set which also exists in two other versions. I liked its spare, simple textures; the instrumental interludes between songs (notably a melancholy intertwining of cor anglais and clarinet) are sometimes more striking than the songs themselves—not always set with ideal clarity, and here rather stiffly delivered by Elaine Barry.

The American composer Peter Lieberson (b 1946) was introduced by the Sinfonietta to this country with *Accordance*—a ten-minute study (as title implies) in rapidly changing instrumental combinations, sprung with a quick, energetic tread. It spoke of an imaginative, sensitive ear for colour; a lively rhythmic sense; and a penchant for labouring a good than it really deserves. From Sinfoniett, strong, engaging performances; Oliver Knussen conducted.

Jessye Norman/Barbican Hall

Andrew Clements

If anyone is going to make me warm to the prospect of Brahms *Lieder* it is Miss Norman. Her recital at the Barbican on Tuesday night, accompanied by Geoffrey Parsons, took the centenary of Wagner's death and the 150th anniversary of Brahms' birth as its twin foci. The *Wesendonk Lieder* made a generous centre-piece and around it were grouped two selections of Brahms, as well as his Two Songs with viola obbligato Op. 91.

Gorgeous tone and succulent phrasing, phrases hushed to the serenest whisper, were in abundance. The "Sapphische Ode" from Brahms' Op. 94 was purled in effortless sustained lines; the individual colouring given to each word in "Feldeinsamkeit" was a marvel. The Wagner songs too would be difficult to better on technical and sheer tonal grounds, with "Stehe still" and "Schmerzen" as the pick of a sublimely even set.

Yet always there was something just too perfectly calculated about the phrasing, a marmoreal quality that seemed to have been carried over from Miss Norman's statuesque platform gestures. The lack of spontaneity in her manner dissolved only for a closing Brahms group; the pair of songs with viola (played by Csaba Erdelyi, with voice and instrument exquisitely balanced, had spread just too much honey on to already dangerously sweet fare. Mr Parsons also provided sharper support in "Der Jäger" and "Ständchen," and briefly one remembered Miss Norman's recitals from five years ago again, enchanting love affairs between singer and audience, with warmth and regret.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

February 4–10

Exhibitions

WEST GERMANY

Stuttgart, Staatsgalerie, Konrad Adenauer Strasse: Late 16th and early 17th century Italian masterpieces reflect the beginnings of Baroque. Ends spring 1983.

Münster, Westfälisches Landesmuseum, Domplatz 10: For the first time a museum is staging a joint show of the more than 140 paintings which Paul Klee, August Macke and Louis Moilliet brought back from a trip to North Africa in 1914. Ends February 13.

Düsseldorf, Kunsthalle: The show offers a comprehensive survey of Henri Matisse. The 80 paintings include works on loan from Paris, New York, London and Moscow. They are supplemented by a dozen sculptures. The focal point of the show is the gigantic La Danse. Ends April 4.

Cologne, Wallraf-Richarts Museum, An Der Rechtsschule: Emil Galle, The French craftsman, widely praised for his artistic style, is celebrated here through some of his most beautiful glasses and drawings. Ends Feb 6.

Frankfurt, Kunstverein, 44 Markt: Drawings and paintings depicting human beings from between 1960 and 1970 by Pier Pasolini, the Italian movie director. Ends Feb 27.

Tübingen, Kunsthalle: 157 drawings, gouaches, water colours and collages by Jean Dubuffet, the French Art Brut painter and sculptor. Ends March 6.

ITALY

Florence, Palazzo Pitti: One hundred works from Dresden Picture Gallery. Ends March 4.

Rome, Accademia di Francia: 'Mediterranean Picasso,' a collection of about 100 works inspired by Mediterranean life. Ends Feb 13.

Rome, Villa Medici: Mediterranean Picasso. Ends Feb 13.

Rome, Galleria Nazionale d'Arte Moderna: Paintings inspired by Garibaldi from Fattori to Guttuso. Ends Feb 27.

Milan, Castello Sforzesco: Italian silks 1450–1525. Ends Feb 28

Milan, Palazzo della Permanente: Twentieth Century paintings including Sironi, Campigli, Carra de Chirico and Morandi. Ends March 27.

LONDON

Walker Art Gallery, Liverpool: John Moores 13 – Britain's first and most important Open Exhibition, which regularly attracts a strong entry from amongst our best contemporary painters. The prizes are generous enough: £6,000, £3,000, £2,000 and ten at £250, but the prestige lies in the selection itself. This year's exhibition is full of strong uncontroversial painting, both figurative and abstract, with John Hoyland victor ludorum. Ends Feb 20.

The National Portrait Gallery: Van Dyck in England – if not unquestionably the greatest, pace Holbein, certainly the most prolific and lastingly influential of our Court Painters, establishing the image of romantic, doomed Cavalier grandeur in its final years. He could not have done this without an army of studio assistants and it is easy enough to recognise the fruits of the production line, but he was a wonderful artist for all that. He is a painter's painter, steeped in the works of the earlier Italian masters, and the worthy successor to his own master, Rubens. Ends March 20.

NEW YORK

Metropolitan Museums of Art: Architectural drawings, furniture, photographs and even ceramics comprise the hundred objects of Frank Lloyd Wright's dusted off to accompany the permanent installation of the living room he designed for the Francis Little House. Ends Feb. 27. (5357100)

Whitney Museum: Painter Ellsworth Kelly will becomes better known as a sculptor with this first sculptural retrospective of 40 works dating back to the 1940s and including recent large aluminium and weathering steel works, many never before displayed publicly. Ends Feb. 27. (5703676)

Whitney Museum: The 75th anniversary of the exhibition of The Eight, the group surrounding artist and teacher Robert Henri, is being remembered with nearly half of the 60 paintings first shown at the New York Macbeth Galleries in defiance of conventions established by the National Academy of Design. Besides Henri, works by Luke, Lawson, Shinn and Davies will recreate the origins of modern art in America. Endes March 20.

Guggenheim Museum: Retrospective of French Surrealist Yves Tanguy includes 125 paintings and works on paper from the early influence of de Chirico to a Connecticut insularity where he could contemplate his vague shapes and unidentifiable lunar surfaces in comfort. Ends Feb. 27. (8601300)

WASHINGTON

National Gallery: On the centenary of Edouard Manet's death, a hundred paintings, pastels and photographs show the growing interest in Paris among artists of that time, including Manet, Monet, Caillebotee, Daumier, and Vuillard, in this thematic exposition. Ends March 6. Seven major series by sculptor David Smith are represented in the 60 large works in welded metal included in the exhibit. Ends April 24. (3572700)

CHICAGO

Museum of Contemporary Art: 300 works from the superb modern Russian collection of George Costakis preserves the exuberant hopes of cubo-futurism, suprematism and constructivism through the paintings and designs of Kliun, Chasnik, Rodchenko, and Malevich before their extirpation by Stalin. Ends March 13.

PARIS

From Carthage to Kairouan, 2,000 years of art and history in Tunis. Magnificent mosaics and a vast model of the Kairouan Mosque retrace the succeeding Phoenician, Roman and Islamic influences on art in Tunisia. Petit Palais, Closed Mon. Ends Feb 27.

Fantin-Latour (1836-1904). 150 paintings, pastels, drawings and lithographs bring home some unsuspected facets of his art. Best known for his rather sombre collective portraits of the intellectual elite of his time, his poetic flower compositions charm with luminosity and colours. Fascinated by music, his illustrations of Wagner and Berlioz are his escape into the world of dreams and phantasy. Grand Palais. Closed Tue, ends Feb 7. (2603926)

The Hague School of painting: 160 oils and watercolours by 19th century Dutch artists depict mostly the sea and the seashore in a poetical mood or genre scenes and culminate gloriously with the beginnings of Van Gogh and Mondrian. The exhibition will go on to London and The Hague. Grand Palais, closed Tue. Ends March 28 (2815410)

BRUSSELS

Société Générale de Banques: Pierres et Rue 1780–1980. The success of this exhibition has prompted a longer run. Ends Feb 18.

Musées Royaux d'Art et Histoires: Collection of Delft porcelain. Ends Feb 21.

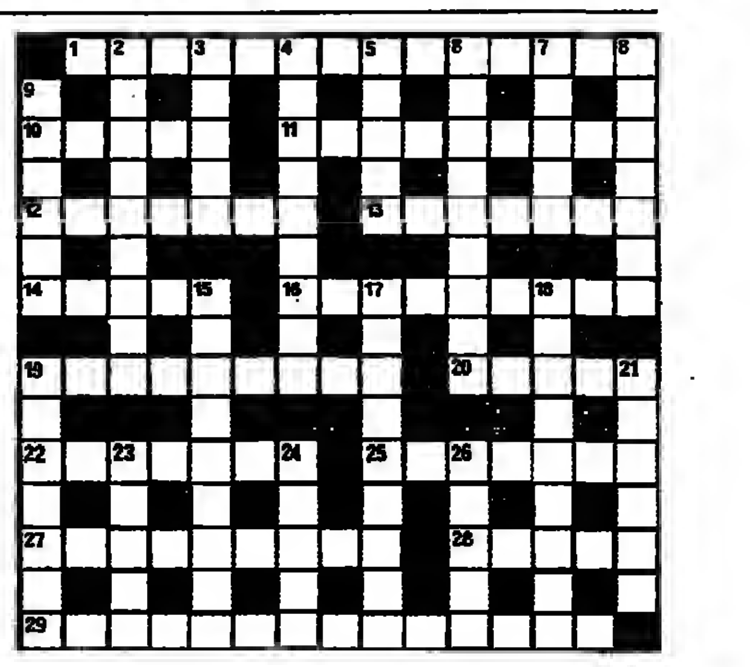
HOLLAND

Rijksmuseum van Oudheden, Leiden: Egyptian hieroglyphics on papyrus up to 4,000 years old. Ends April 4.

VIENNA

Künstlerhaus: Aspects of present day art in the Soviet Union from the Ludwig collection. Ends Feb 25.

F.T. CROSSWORD PUZZLE No. 5,094



ACROSS

1 It could be a local view (7, 7)
10 Pass back a pound at the inn (5)
11 Bag for sherry (9)
12 Discreet precisian not disheartened (7)
13 Burke's school of mankind (7)
14 Former airman having time to be accurate (5)
16 Tire the bowler? (9)
19 Alec changed and hurried to Church sale (9)
20 Concise part of letter sent by air-mail (5)
22 Cunning method on the Underground (7)
25 Old warship heard to have container for turpentine (7)
27 The first great man displaced by a shrew (9)
28 Sound which is here (5)
29 They make such a difference (5, 3, 6)

DOWN

2 Support headless men with spirit (9)
3 Found all enamel decorative tile in this (5)
4 Wear for the retiring type (9)
5 Informed a Herts town (5)
6 Under canvas, excited mates will (9)
7 Not a canine bark (5)
8 One God, one law, one —— (Tennyson) (7)
9 Passing the Spanish recess (6)
15 Reversion to work hatch possibly (5-4)
17 Active Oriental erecting building (9)
18 Creator of Iphigenia has one pure side perhaps (9)
19 It overturned in coach crash utterly confused (7)
21 Stout delivered from brewery intact (6)
23 Scoundrel gets first class return to Papal Court (5)
24 Long story about the East (5)
26 Vassal of Belgium (5)

Solution to Puzzle No. 5,093

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday February 10 1983

Brandt gets into focus

ONE HAS to hand it to the Brandt Commission: there was a broad precience in the "Programme for Survival" which it published in 1980. The Commission predicted "continuing world stagnation combined with inflation; international monetary disorder; mounting debts and deficits; protectionism; major tensions between countries competing for energy, food and raw materials; growing world population and more unemployment in North and South." With the exception of the "major tensions," this depressing scenario has been borne out by events.

Those events—and in particular the debt management crisis in the closing stages of last year—concentrated minds in the industrialised world in a way the Brandt Commission must have approved of. The Gatt ministerial meeting managed to produce a fresh condemnation of protectionism. The IMF was forced to become more active and to "transfer resources" in greater measure to developing countries.

Yet the latest memorandum from the Brandt Commission, "Common Crisis," shows that the Commission, too, has had its mind concentrated since its first report. The North-South dialogue has never gathered momentum. The Cancum economic summit in 1981, a direct outcome of the first Brandt report, produced no tangible results. The Global Negotiations at the UN have receded like a mirage.

Underlying many of these non-developments, the confrontation between oil producers and oil consumers has petered out. It was Opec's rise which gave the South the self-assurance it needed to demand a new economic deal from the North. That impulse has faded with the fall of Opec's influence.

Brandt II is less ambitious and more practical. It lays great emphasis on the flows of funds to the IMF and the World Bank—concentrating less on the reform or replacement of these institutions and more on the urgent need for them to be used effectively. We agree with many of its prescriptions for bolstering the IMF and agree, in particular, that the U.S. should alter its penny-pinching attitude towards IDA.

The new report admits that the process of negotiation between North and South "has itself become an obstacle to progress on the crucial issues." It advocates greater "readiness to negotiate in small groups and on single issues within the framework of the universal fora." This is certainly a more sensible approach: the negotiations urged by Brandt I were doomed in their unwieldiness.

The first Brandt report advocated an international energy strategy which would control world wide oil consumption, production, prices and investment. Because oil had provided the mainspring in the drive for a new international economic order, oil was envisaged as the centrepiece of that order. Brandt II is much milder, suggesting that oil consuming and producing countries might consider arrangements "safeguarding supplies to the poorest countries and long term stability in the oil markets."

This contrast between the two reports in the matter of energy suggests that the Commission may be having second thoughts on what we always considered the weakest feature of the original "Programme for Survival."

The Brandt Commission said that the answer to the looming crisis lay in global institutions and in global dirigisme. Restored economic growth, and greater equality between nations, was to be imposed by a new super-institution set above the international bodies already in existence. It was implicit that this institutionalised system would suppress market forces, and make it less possible for individual countries to achieve their own degree of success

Three years later the Commission aims "to restore confidence in the banking system, to avoid strangulation by protectionism of world trade and move it back to growth, to make developing countries more self-sufficient in food and energy production, and to improve the negotiating process between North and South." It may be a more modest prescription, but it is also much more credible.

Re-shaping local government

THE GROWING momentum in support of the Thatcher Government's long-standing desire to abolish England's six metropolitan counties, all spenders of very large sums of ratepayers' money, looks at first sight to be a sensible and rational move towards greater efficiency and accountability in local government by running local services through a single-tier of authorities. But first sights, like first thoughts, are not always as clearly focused as they might be.

The real difficulties about the metropolitan counties begin once they have disappeared. In spite of their ineffectiveness, large bureaucracies and remoteness from their electorates and ratepayers they provide services which can neither be abolished nor easily devolved to so small a unit as is presently represented by the 36 metropolitan districts.

Police and fire pose the most obvious difficulties: 36 chief police and fire officers with separate staffs and accommodation is hardly an improvement on six. The same arguments apply to lower profile services

And here lies the greatest danger. The creation of a single-tier of local government appears to enhance democracy, accountability and efficiency. The reality could quickly turn out to be a diminution of all three by the creation of a series of quangos, joint boards and ad hoc, multi-district committees.

Democracy may well involve an attempt to find proximate solutions to insoluble problems. But even proximate solutions are indefensible if accountability is lessened—the more so if the principal problem is suspected of being only the recalcitrance of political opponents

The abolition of the upper-tier of metropolitan local government remains a desirable objective. But it seems unlikely that it can be achieved sensibly unless it is part of a carefully considered realignment of local functions and local finance. Much of what is wrong with local government today is the result of failure by successive governments to tackle the fundamentals of local services and their financing simultaneously.

A manifesto commitment by all political parties to some serious thought before more precipitate action on the local government front would, in the long run, be helpful both for local democracy and for the hard-pressed ratepayer's pocket.

A productivity gap

A COMMITTEE of union officials and convenors from British car plants, backed by the Transport and General Workers Union, has launched a campaign for import controls. The aim is to put pressure on the three foreign-owned car assemblers — Ford, Vauxhall and Talbot—to cut back their imports from associated plants on the Continent. The immediate target is Vauxhall which is due to import a new small car from Spain, but easily the biggest "captive" importer is Ford: it is the market leader and in January more than half its UK sales were of imported cars.

The underlying reason was explained on Merseyside yesterday by Mr Bill Hayden, vice-president for manufacturing in Ford of Europe. While reassuring local council leaders that Ford had no plans for closing the Halewood assembly plant, he made it clear that the long-term future of the plant depended on a radical improvement in competitiveness.

He pointed out that in recent years the plant's high cost levels had been obscured behind the relatively high prices in Britain compared with the Continent, but this was now coming to an end. Halewood needed a smaller workforce and more continuity in production if it was to reach the standards of performance achieved by its sister plant in West Germany.

The warning is hardly new, but the fact that it is needed, from one of the more efficient British manufacturers, casts some doubt on the "productivity breakthrough" which is sometimes said to have taken place in the UK over the past two years. Productivity in parts of the motor industry has certainly improved, but the gap between British and Continental plants is still wide—and even wider if the comparison is with the Japanese.

Union officials may believe that they are serving the interests of their members by campaigning for import controls. A more realistic alternative is to devote their energies to solving the problems which Mr Hayden referred to yesterday.

THE SPOT OIL MARKET

'It's a flip coin business'

By Ray Dafter, Energy Editor

A FEW days ago two Japanese oil refiners—Maruzen Oil and Nippon Mining—ventured into the spot oil market and bought cargoes of Middle East crude for around $35m, a discount of over $9m on the official price now being charged by the Organisation of Petroleum Exporting Countries.

The two companies symbolise the major changes now under way in the world oil market. In the halcyon days of Opec, when the oil producers could dictate the price of most of the world's oil, the spot market operated on the margin as a kind of safety valve. Traders could buy unplaced oil and resell it to refiners to iron out temporary supply or other problems.

Now all that has changed. Opec has lost, at least for now, its power to dictate prices. Oil is becoming "just another commodity" whose prices are vulnerable to the current combination of excess supply and weak demand.

The result of this has been dramatically to alter the role of the spot market which is now in turmoil. In the past few months as much as 20-30 per cent of the world's oil has been bought and sold at spot rates and the value of cargoes traded has risen enormously.

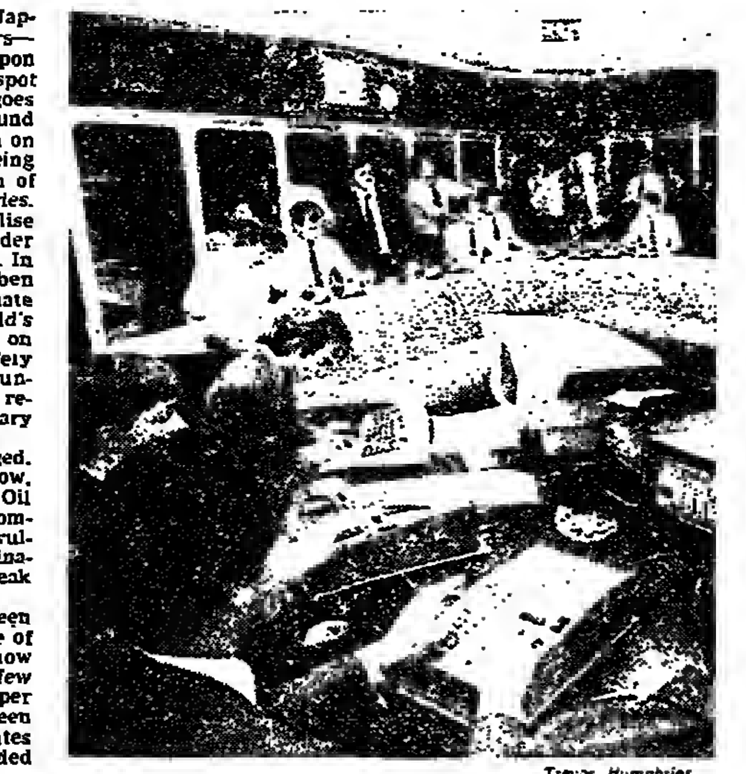
However, it is still a very unstructured market and the relatively small number of brokers and traders who operate it have been scrambling to get used to the change in their status. Among other things, they are increasingly tempted into speculative deals (some involving phantom cargoes) and they are having to face new competition from major oil companies including British Petroleum and Shell.

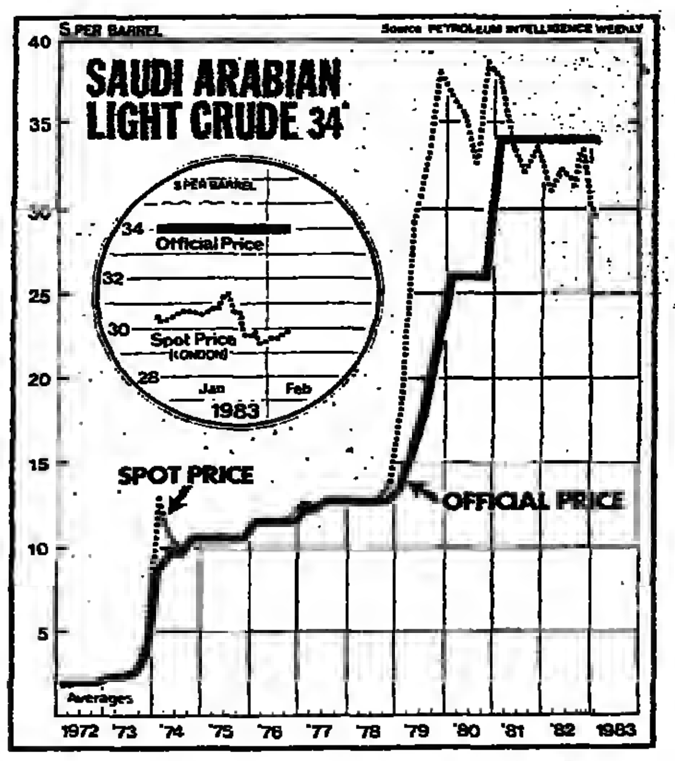
Until now, traders have needed no great parapbernalia to conduct this business—little more than an office, a telephone, a telex, a well-filled contacts book, and a sympathetic bank manager willing to provide hefty credit notes.

The risk of being caught short in a fluctuating market

Traders have come from a variety of backgrounds. Some were established by large industrial companies (as in the case of Phillipp Brothers, once part of Engelhard and now linked with Salomon Brothers), by refinery operators (Coastal States), or by individuals (Marc Rich). In recent years the risks they bear have been rising steeply: it is now quite common for cargoes to change hands at around $50m apiece.

The Japanese refinery deal provides an insight into the sort of trade that is becoming increasingly prevalent. According to market reports the state-owned Egyptian General Petroleum Corporation wanted to sell two cargos of Suez Blend crude oil for which it could find no buyers at the official contract price of $29 a barrel. (As Egypt is not a member of Opec, it is not tied to the organisation's artificially-high official rate of $34.)


Trevor Humphries



Bob Hutchison

Dealing on the International Petroleum Exchange, London, which already handles some oil product futures

The cargoes were bought at a considerable discount by Japanese traders who then resold them to the refiners at a reported price of between $26.70 and $26.80. It would be surprising if the traders did not make at least 10 cents a barrel on the deals which involved a total of 1.3m barrels.

The deals were in the classic mould of the spot market, transactions concerned with providing feedstock for refiners. But oil has now also become much more a vehicle for speculation, a commodity to be traded between traders.

"It is a confusing market," said Mr Katsuhisa Hasegawa, president of the Avant Petroleum trading company in New York, which is part of the Mitsui group. "Traders have to be careful and cautious. But the majority of people now following the oil trade are speculators, and speculation is a flip coin business."

The extent of the risks is borne out by the number of trading companies that have disappeared in the past year or are known to be teetering on the edge of collapse. One London trader has a confidential list of about a dozen companies with which he will not deal.

In a fluctuating market a company runs the risk of being caught short, selling a notional cargo at one price and then having to pay a much higher price in order to fulfil the contract. Conversely, a company which built up crude oil stocks in the expectation of prices rising may well burn its fingers if the market takes a dive. This happened a few weeks ago when the spot price of Arabian light oil climbed to over $31 a barrel on market expectations that Opec would get its pricing and production act together. The Opec meeting was abortive and within days the spot price had fallen by over $2 a barrel. A number of traders lost several million dollars a cargo as a result.

Spot market speculation is no more in evidence than in the North Sea where single cargoes of Brent crude are being traded over and over again — as many as 46 times in one instance. These "daisy chains," as they are dubbed, have added a new complexion to oil trading.

In some cases the cargo being traded does not exist. These dry barrels are sold on the understanding that if some future buyer actually wants crude to process in a refinery, then the oil can be obtained.

These deals are significant in that each transaction provides a new spot price quotation against which the official contract prices can be assessed. Each deal makes it that much more difficult for the British National Oil Corporation, the main trader of North Sea crude, to withstand pressure from its customers for a $3 to $4 a barrel cut in the official $33.50 price of UK oil.

BNOC has always boasted that it does not trade in the spot market but it must be one of the few UK oil companies in this position. A great deal of North Sea oil is now traded at spot rates—perhaps 700,000 barrels a day or a quarter of UK and Norwegian output.

It is now in the interest of integrated companies—groups like Shell, BP and Esso—to sell their crude production on the spot market rather than feed it, at present much higher contract price levels, into their refineries. The producing end of their businesses may receive a lower price but much of the reduction is offset by a cut in tax bills. Companies are taxed only at the realised market price, an important consideration when taxation can be over 80 per cent of net revenues.

But it is not only these actual trading deals which influence spot market prices. Traders believe that for every real barrel sold there are several "dry" North Sea barrels traded speculatively. These prices are also recorded . . . in a fashion.

For there is no formal price-recording mechanism, just as there is no central trading house, no registration of traders, no recording of deals and no regulation of the market.

The reporting of spot market transactions, by various oil industry newsletters and newspapers like the Financial Times, is largely anecdotal, based on what market practitioners are willing to divulge. In general, however, traders prefer to remain out of the public eye, away from the harsh glare of publicity.

"Remember, there is a hell of a lot of money in this market and you never count your money in front of the poor," commented Mr Halsey Peckworth, editorial director of McGraw-Hill's Platt's Oilgram Price Report, one of the most influential market related news letters.

The spot market is little more than an informal fellowship of probably no more than 1,000 people operating in an amorphous grey market. In the past it has attracted some unusual characters including, on the one hand, a gun-toting trader mixed up in the drugs racket and the Swedish Abba pop group on the other.

Abba, which in 1980 was trying to set up oil-for-records bartering deals with the Communist Bloc, decided to pull out of the spot market after losing SKr 30m (£2.6m at present exchange rates). "The business is too risky for us," the group said last week.

Today the new entrants tend to be more orthodox—large oil companies which, having lost many of their traditional assured sources of supply in the Middle East, Africa and South American have sold their subsidiaries and affiliates to be more entrepreneurial in their oil acquisition policies.

European companies — BP, Shell, Elf-Aquitaine and Petrofina—tend to lead the field in this respect although U.S. companies, traditionally tied to Saudi supplies, are also beginning to take more interest in the spot market. Texaco and Standard Oil of California (Chevron) were the first to break ranks.

BP has progressed much further using its buying and selling position in the spot market to build up a sizeable third-party business. A year ago about one-third of its crude oil and products requirements — around 1.6m b/d — was obtained on the spot market. BP's trading activities have since continued to increase to a point where the company is thought to be one of the world's biggest spot market traders.

Mr John Hart, general manager of BP's international crude oil sales in the early 1970s, when the company was one of the world's major contract sellers of oil to refineries, laments the changes. He says he sees a deterioration in the standards of ethics with companies too willing to renege on deals leaving refineries possibly short of crude oil.

He advocates the establishment of an international petroleum registry where proof of a cargo's ownership and origin would be registered. This would be an alternative to shipping documents which might either be unavailable, or delayed.

But traders in the market are sceptical that such a system could be introduced and enforced. They point out that some producers—especially those in Opec—go out of their way to disguise the origin of their spot-traded oil. Similarly buyers in Israel and South Africa are not keen to advertise where they are obtaining their spot supplies of crude.

For the speculators, pricing transparency and supply assurance could be provided by the crude oil futures markets being planned by the New York Mercantile Exchange, the Chicago Board of Trade and London's International Petroleum Exchange. These markets have already tested the water by handling a restricted number of oil product futures.

Mr Joe Roeber, of London-based consultants Joe Roeber Associates, believes that the futures markets will transform the oil scene. "They have arrived when they are needed," he said.

For the first time there will be clear and public pricing signals which those setting contract rates—Opec, BNOC and Mexico's Pemex oil corporation, for example—will ignore at their peril.

But, in the early days at least, the futures options will be available in only a few specific grades of crudes. The spot market will still be used to handle the bulk of the freely-traded crude.

It is reminiscent of the complacent 1960s energy scene

Even if, in the next few weeks, Opec does manage to reach a price and production formula to bring supply and demand into better balance, it seems unlikely that the importance of the spot market will diminish significantly.

Too many of the traditional producer-refiner links have been broken. Oil processors, no longer concerned about supply shortages, are being encouraged by their parents to scour the world for the cheapest supply of crude. This situation is likely to last at least until the late 1980s while worldwide oil demand remains below the production potential.

It is all reminiscent of the energy-complacent 1960s when, as Mr John Lichtblau, president of the U.S. Petroleum Industry Research Foundation, recalls: "Only fools and their affiliates paid posted prices."

Men & Matters

Horseplay

At least one English bloodstock agent, I know, was virtually given an open cheque to secure Shergar for an American stud after his 1981 Derby triumph.

The Aga Khan's stallion—whose kidnappers are now demanding a £2m ransom—would then, it was made clear, not have been considered overpriced at $35m.

But the Aga Khan sent Shergar, winner of £435,000 in prize money and several times dubbed "horse of the century," to his own stud in Ireland, where he was syndicated for £10m.

One of the reasons for that move may have been the threat of a court action by Kentucky bloodstock agents, the Murty brothers, to seize Shergar if he ever put foot on U.S. soil.

At the time Shergar was making his reputation on the race-course, the Murtys were bringing a series of unsuccessful law suits against the Aga Khan in France and Britain.

They claimed that under a 1978 agreement with the receiver for the estate of French industrialist and race-horse owner Marcel Boussac, they were to buy 56 of the Boussac horses.

After the French Government had become involved, all Boussac's horses were sold to the Aga Khan for what appeared to many a bargain sum.

There have been few previous cases of kidnapping race-horses. In 1975, the champion Italian filly Carnauba, owned by Nelson Bunker Hunt, was taken but later found alive in an abattoir. Three years ago in America, the champion two-year-old filly Franfrolleb was kidnapped but recovered after six months.

What disturbs the racing fraternity about Shergar's abduction is that though the kidnappers know his value, they seem to know little else about horses. The gunmen ordered the head groom at the stud to point out the bay Shergar, even though the only other stallion there was a grey.

Golden arrows

Stanley Lowy, aged 50, will stand up in Chicago tonight to be inducted into the Hall of Fame of the U.S. National Sporting Goods Association.

A graduate of London University with a science degree he is to be honoured by the Americans for having made a special contribution to the world of sport.

Other recipients of the coveted award over the years have included Browning who invented the singleshot Winchester rifle, Evinrude who made a practical outboard motor and Spalding for his tennis racquets.

What has Lowy contributed? The answer is that he and his father can be credited with creating Britain's third-biggest participant sport (after walking and swimming) in its modern form. To put you out of further agony of suspense: they have taken the humble game of darts out of the bar parlour and made it big business.

Lowy is managing director of Unicorn Products, a British company which is the world's largest maker of darts equipment with a turnover of more than £2m a year.

Since the game has got on to television it has attracted 6.5m regular players in Britain alone.

In the U.S. there are now 200 regional darts associations and it is one of the fastest-growing activities—a rate of some 20 per cent a year. Prize money for organised U.S. darts will exceed $1m this year.

The real darts pioneer, however, was Lowy senior who died in 1969. Frank Lowy was born in Budapest and later made his home in England. He spotted the potential of darts while watching a game in a Devon pub.

He set out to design a better dart and in that lifelong pursuit took out more than 100 patients for aspects of darts design.

"But we've agreed to use French UHT milk in the coffee, Jacques"

Law abiding

Twenty-five years after it was published, that satirical survey of bureaucrats at work, "Parkinson's Law," has become a best-seller in China.

Author and historian Dr Cyril Northcote Parkinson says: "I am not sure whether the term best-seller in this case reflects the market demand or government decree."

Either way, he does not expect the sales to be reflected in increased royalties since China has not signed the international copyright agreement.

Still, Parkinson is flattered that his law—"Work expands to fill the time available for its completion" — should have proved to have such timeless and universal application.

He was called to California when Ronald Reagan became governor of the state to talk to him and his aides about curbing the bureaucracy.

Now, according to the Shanghai newspaper, Wen Hui Bao, one of China's leaders engaged in the reform of that country's bureaucracy, has commented: "Although our political system is completely different . . . the bureaucratic organisations and certain work styles satirised in the book are worth our deep thought."

One of these days, Parkinson muses, Margaret Thatcher might turn to him to help sort out Whitehall.

Insecurity

A set-back for one of the British companies exhibiting at a major security industry show in Paris yesterday. The Wiltshire-based company, proud presenters of a variety of blood-curdling law enforcement equipment from weapons and metal detectors to body armour and portable road blocks, returned to their stand yesterday morning to find that £400 worth of high security goods, including two guns, had been stolen overnight

Bright idea

So that is why the Government deferred any action on Serpell's suggested rail closure. . . .

It is to give Saatchi & Saatchi, the Conservative Party's ad-men, time to explore the country's railway tunnels.

They are searching, I am told, for a suitably dark spot inside a tunnel from which they can photograph the radiant light at the end to illustrate the theme of a new political poster campaign.

Burned out

Sign on the back of a lorry load of logs on the A30: "There's no fuel like an old fuel."

Observer

ECONOMIC VIEWPOINT

The Micawber approach to debt

By Anthony Harris

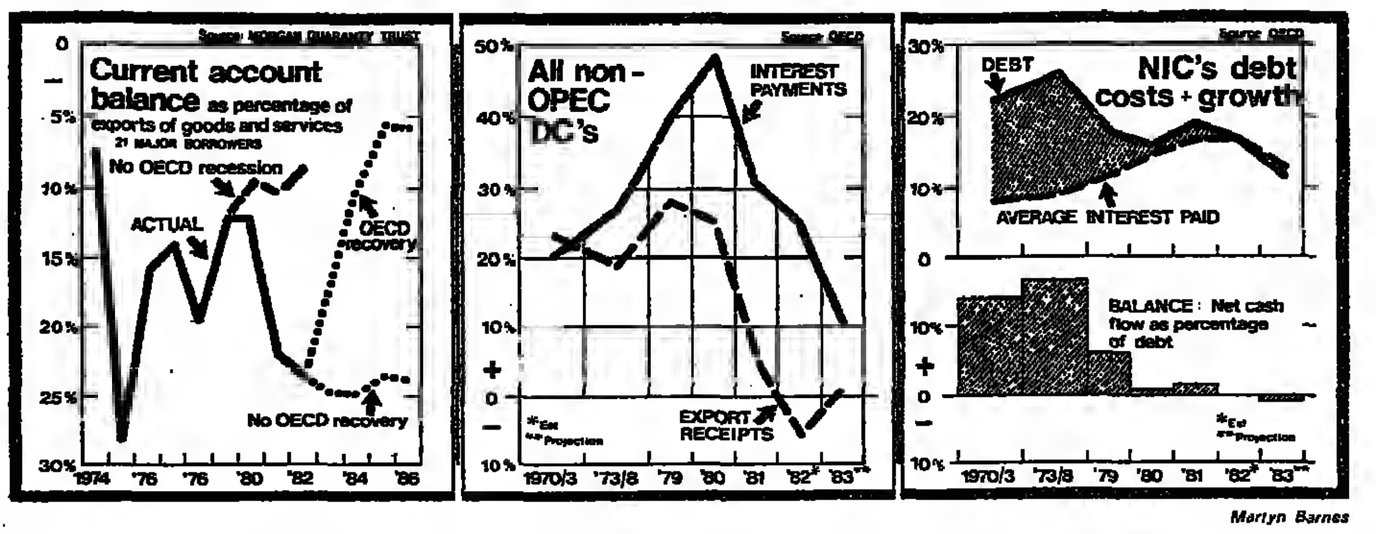
"BRAZIL, MEXICO and Argentina are close to collapse, and bank shares are rising." This bitter observation comes not from the new report of the Brandt Commission, out today, a left-wing City-basher or a spokesman of the New Economic Order. It comes from a high official, who must be nameless under house rules, who met with some 50 other central and commercial bankers, politicians and officials at Ditchley last weekend to discuss the debt crisis. In one sentence, he pointed to two of the important facts which emerged at this deeply depressing gathering.

First, while there is widespread economic pain among the developing countries, the actual debt crisis, and the dangerous exposure of the commercial banks, is almost entirely concentrated in the three countries he named; indeed, it has become known in the trade as the MBA problem.

Secondly, the attempts so far made to address the crisis are widely understood, even at the highest levels in business and the international agencies, as attempts to rescue the banks rather than the borrowers, however much our own Governor and others may protest to the contrary. No-one ever became a banker to become popular, but I would hate to change places with one now; it must be like a bad case of halitosis.

Anti-banker emotion was quite widespread at Ditchley, with one speaker after another calling for financial penalties, tighter rules and generally more seemly behaviour — and there would indeed be something deeply offensive about the current spectacle of bankers boasting about the profits they make out of rescheduling, if one seriously believed that the debts would ever be repaid in full. However, the fact is, as Lord Lever has pointed out, that rescheduling is simply a way of postponing the day of default, at the cost of a bigger default when it comes.

Bankers certainly do not deceive themselves when they solemnly assure their auditors that the questionable claims listed among their assets are worth full face value. "We are buying time," as one of them candidly admitted, "but what for?"



Martyn Barnes

They are in fact waiting, like Mr Micawber, for something to turn up, and they are not much to be blamed for that. It may be morally satisfying to make bankers the scapegoats for the troubles that now afflict the world economy, but it is analytically unhelpful. They do not make the rules under which they operate, or even set the interest rates at which they lend. They have simply been cast in the lead role in a play of illusion mounted by the governments and monetary authorities of the developed world: it is the authors, not the actors, who should now be pelted with rotten eggs, or made to write a happy ending.

Unfortunately the authors of policy are just as Micawberish as anyone else; and what they hope will turn up is world activity. The chart displaying the plight of the richest Third World borrowers, the newly industrialised countries, makes the reason clear.

There are three projections on the chart. The first shows that the current account of these countries would have recovered smartly if the developed world had not slid into recession two years ago. The second two show what is likely to happen after the severe austerity programmes in these countries have been imposed. If there is a reasonable recovery in the West, the borrowers will quickly return to a sound position; but if stagflation continues, they will make no progress at all.

Unfortunately, the second illustrates the likely outcome, if the wisdom assembled at Ditchley is any guide. Not a single one of the experts assembled thought any sustained recovery at all probable. Wrong government policies—especially the U.S. fiscal deficit, denounced even by the expansionists at the meeting—and the intractable nature of financial markets would prevent it. "Interest rates," as one grimly observed, "have risen in the first month of the U.S. recovery."

Financial strain is not a symptom of recession, but the fundamental cause; our malaise in financial. The austerity programmes adopted by Third World borrowers will depress world demand by $17bn this year, according to the OECD. Similar austerity imposed by overstretched commercial borrowers will have a bigger effect, because their debts are bigger. Capital formation in the U.S., for example, is 9 per cent down.

It is the appearance of high real interest rates along with flat or declining markets which has been so devastating. The second two charts, drawn from OECD figures and projections, shows this pincer movement at work. The first contrasts the growth of interest-payment obligations of Third World countries with the growth of their export earnings. Debt service obligations have recently been growing faster than export earnings did, even in the boom inflationary years; the earnings, meanwhile, have collapsed.

The West, it hardly needs stressing, sets the interest rates and provides the markets. What perhaps does need stressing, as was done at Ditchley, is that until these lines recross, and export growth exceeds the average interest cost of past debt, debt servicing capacity will get worse even if no more is borrowed.

The final chart underlines another logical consequence of all this. The much-discussed credit contraction, which all the pragmatic arm-twisting in the banking world at present is supposed to prevent, was already a fact before the bankers took fright. For the most dynamic developing countries, the interest burden caught up with the flow of new capital two years ago; the much-criticised "explosion" of lending has made virtually no new resources available to them as a group, and the new programme implies rapid net repayment of debt.

With sagging earnings, this is unachievable; so we get rescheduling, with the accompaniment of vast telexes, higher interest rates spreads and front-end fees which make the whole problem, in the long run, just a little more unmanageable. The banks, of course, know all this very well; they are simply, understandably, collecting what they can from the good risks to offset future losses.

To complete the picture, it should be added that a precisely similar process is going on, without the attendant publicity, among commercial borrowers. A new report from Drewry Shipping Consultants, for example, estimates that shipowners collectively owe more than $100bn to the banks at the moment (on ships worth about three-quarters of that). Again, earnings are deficient, and rescheduling is the rule.

Is there no escape from this vicious circle of financial fiction, repressed panic, and consequently ruinous borrowing costs? It seems doubtful, to say the least, as long as all official efforts are directed to shoring up the ramshackle structure of eurocurrency lending which has been created by the mistaken policies of the 1970s; and yet that is exactly what is absorbing all official attention at the moment.

The alternative, which is at present dismissed as a long-term solution only, is financial reconstruction. This is a matter of automatic routine in a classic deflationary collapse. Interest rates fall, the bankrupt are bankrupted, and the rest refinance their excessive short-term debts in the long-term market. Indeed, even at present quality borrowers are eagerly funding in the eurobond market, and beginning to deflate the stock of eurocurrencies.

This may seem an impossible dream for the "problem" countries, but it is not. Their problem is compounded of depressed markets and high interest rates, but their deadweight debt is not excessive; for the 21 major borrowers it is well under two years' export earnings—not much more than half the ratio the U.S. cheerfully ran up in the last century, as Rimmer de Vries of Morgan Guaranty points out.

The real problem is to arrange finance on manageable terms, and unless we are quickly able to resolve our policy crisis in the West—an unlikely outcome, according to the participants at Ditchley—this must mean a break from market-related money interest rates. The British Government has made this break with its indexed gilts (and thereby reduced money rates on conventional long-term borrowing). Loans indexed to the commodities which the borrowers export might also be floated at relatively modest rates, if not the 2½ per cent achieved here.

Such proposals are resisted on three grounds, two of which are openly declared. First, the time is not ripe—the classic bureaucratic evasion. Second, it would "let borrowers off the hook," and even prove inflationary—which is pernicious nonsense. There need be no "hook"—the debts, as bankers are the first to protest, would be perfectly reasonable in a reasonable economic environment. And funding itself is not inflationary—on the contrary, it is the principal weapon used by our governments to fight inflation. What is inflationary is to pile more bank debt and more IMF and other resources on past lending. Have the central bankers secretly opted for the generalised bankruptcy which is called inflation?

The final, unmentioned, problem is this: refinancing sound borrowers in the long-term market will leave the banks with an even more questionable hunch of assets, and somebody might notice. So the banks, too, may need refinancing—a prospect which should depress the share prices found offensive at Ditchley.

Lombard

U.S. attack on farm surpluses

By John Edwards

EUROPEAN policy-makers should take a close look at the payment-in-kind (Pik) farm support scheme just announced in the U.S. They might learn something to their advantage.

Under the scheme, instead of paying cash to farmers not to produce the government pays them with surplus supplies of the produce they would have grown. A farmer who cuts his grain output by 1,000 tons is given an equivalent tonnage of grain from the surplus stocks.

The end result should be to reduce stocks to more manageable levels and stop them depressing prices, while at the same time cutting production back into line with demand.

The U.S. Government has already paid farmers for the surplus goods taken off the market. Giving the surplus stocks back, as an incentive not to produce, involves the government in no cash outlay.

The government is disposing of assets and receiving nothing in return. But it can be argued that the cost of storing, insuring and financing those unrealisable assets probably exceeds their value, so the government is saving money. This is the same argument used to justify the sale of surplus EEC farm produce at knock-down, subsidised, prices to countries outside the Community; it is often cheaper to give something away than store it.

There is an additional financial advantage for the U.S. Government. If the disposal of the surplus holdings helps to lift market prices, this will further reduce the cost of supporting the farmer. The U.S. uses the deficiency payment system, whereby farmers are paid the difference whenever market prices fall below an agreed minimum level.

Another advantage of the scheme is that the U.S. will be able to maintain the availability of normal supplies to its customers, while at the same time running down stocks. So it does not risk losing business to competitors. The farmers too are able to have virtually the same amount for sale and do not suffer the reduction in cash flow normally resulting from a cut in production.

The main disadvantage is that the Pik scheme is cumbersome and bureaucratic—someone has to assess what the farmer produced in the past and confirm that the promised cut in output has actually been made. Also it is far from certain how effective Pik will be in actually reducing production.

In the case of grains, the farmers' first reaction will be to ensure that all the acreage not planted is the most unproductive, marginal, land. Then they are likely to concentrate on improving yields on the land planted since overheads are virtually unchanged. There is also considerable doubt about what the farmers will do with the surplus produce received from the government. Some with financial problems will be tempted to seek to turn it into cash immediately by offering it for sale.

So the initial impact of the scheme may well be to lower, rather than increase, prices temporarily. Surplus stocks not previously available to the market will in effect be transferred into the hands of farmers, who are notoriously weak sellers.

Nevertheless there is little doubt that prices will begin to rise as surplus stocks diminish and production falls, providing other countries do not step up output to fill the gap. Even if they do, the U.S. will at least have managed to shift the heavy burden of carrying the bulk of the world's grain stocks.

In Brussels the Pik programme could be seen as a move by the U.S. to avoid an agricultural trade war. But that would be a mistaken view.

The U.S. has shown it is prepared to adopt an imaginative approach in seeking to solve its over-production problem. There is no reason why the EEC Commission should not also seek a fresh approach, either by adapting a Pik-style programme to the Community's needs, or looking at other positive measures. A radical alternative to present policies is urgently needed.

Letters to the Editor

Taxation of income should be fair and neutral

From Mr D. Lindsay

Sir,—Your statement (February 1) that personal tax allowances cannot benefit those whose income is too low to absorb them and give biggest benefit to those with highest marginal tax rate discloses a surprising misconception of the purpose of income tax. The tax system exists, surely, solely to raise the funds required for the purposes of government; it is not intended to "benefit" anyone but the state. The Government will, of course, apply some of the funds raised to "benefit" those it deems in need. If this principle is not grasped, tax and public expenditure become hopelessly confused, as has happened, for example, in the case of child benefit. The needy should not be taxable, nor the taxable need any basic benefit.

The tax system should extract income tax only from those having annual surpluses in excess of what the state deems to be basic needs (which will vary, of course, according to family responsibilities and any personal infirmity) and it should tax such surpluses at gently rising rates.

In addition to being "non-beneficial" and, of course, "fair" income tax should also be "neutral," leaving the tax payer free to arrange his affairs as he will, uninfluenced by tax considerations. I applaud, therefore, your strictures on accelerated capital allowances and house mortgage interest relief (the zero rate band already covers for basic shelter needs). Similarly, any tax on employment that is not a genuine social security insurance premium is unjustified.

David G. Lindsay
36 Orchard Coombe, Whitchurch Hill, Reading, Berks.

U.S. policy towards South Africa

From the Assistant Secretary of State, Oceans and International Environmental and Scientific Affairs, U.S. Department of State

Sir,—Your leader "South Africa's Neighbours" (December 15) misrepresents and confuses U.S. policy toward South Africa. The editorial incorrectly stated that the U.S. Government has allowed "enriched uranium supplies to be delivered to South Africa's research reactor." The United States has not shipped research reactor fuel to South Africa since 1976. The South African Government has stated publicly that its SAFARI research reactor to which U.S. nuclear fuel was supplied prior to 1976 is now being operated on indigenously enriched uranium. Under current U.S. law and policy, the U.S. cannot deliver nuclear fuel for research or power reactors to South Africa until that country places all its nuclear facilities under safeguards of the International Atomic Energy Agency. This clear U.S. policy is not accurately reflected in your editorial.

The U.S. has several objectives it wishes to achieve in its policy with South Africa. One objective is, as you noted, promoting a Namibian settlement and the United States is pursuing several means to achieve a solution.

A second objective is to persuade South Africa, and other nations which have not ratified, the non-proliferation treaty, to do so and to accept international Atomic Energy Agency safeguards on all their nuclear activities. The United States is attempting to persuade the Government of South Africa that it is in all nations' interest to halt the spread of nuclear weapons. Our nuclear export policy towards South Africa is designed both to prevent the spread of nuclear weapons and to convince the Government of South Africa that a dialogue with the U.S. and a more forthcoming attitude on non-proliferation issues is in its own interest.

James L. Malone.
Department of State, Washington DC 20520.

The future of the Falklands

From Mr A. Jacobs

Sir,—Samuel Brittan (February 3) points out that a move to a negotiated settlement on the Falklands would involve discussions on sovereignty. Now that the post-mortem to the Falkland war is at an end, the question of the future for the Falkland islanders becomes the most pressing issue. It is now recognised that Fortress Falkland policy will cost an estimated £400m a year and might have to be maintained for a period of at least five years if not longer. The Government is right to stress that the interests of the Falkland islanders are paramount, but unfortunately when examining their position one finds that they have a clear choice between the maintenance of the present policy at tremendous cost to Great Britain or the acceptance of domination by the Argentinians. It is not surprising, therefore, that they unanimously support the first alternative. No effort appears to have been made to consider whether there is any other proposal that could be put to the Falkland islanders which might be attractive to them.

Would it not be possible to offer resettlement in New Zealand, Australia, or Great Britain, providing each family with a sum of between £100,000 and £150,0000 which would cost the Government in total less than £200m. Nobody is seeking to oblige the Falkland islanders to leave, but the offer of really generous resettlement terms might attract a surprising, if not overwhelming, level of support from them. If they would prefer to continue with a similar type of farming to that in which they are involved at present, then it might be possible to accommodate some of them in areas such as the Hebrides.

It is right and proper that Britain should be prepared to defend the Falkland islanders to the last man whatever the cost to Britain. Not withstanding these principles, however, the islanders might for themselves decide instead "to take the money." Would this really be so morally wrong? If the islanders were to leave we still would be left with the opportunity of defending the land itself from Argentinian occupation if we so wished. It certainly remains unclear whether we are fundamentally concerned with the protection of the islanders or of the islands. This proposal could certainly put that principle to the test.

Anthony Jacobs.
9, Nottingham Terrace, NW1.

Disclosure at Lloyd's

From Mr N. Parker

Sir,—When being questioned about Lloyd's underwriters' relationships with insurance companies and reinsurance companies in his interview (February 7) Sir Peter Green neatly avoided the question. "To whom do you think these relationships should be disclosed . . . ?" Surely the only reasonable answer must be: To every member of Lloyd's who seeks the information.

N. F. Parker.
56 Curzon Street, W1

Wages at local levels

From Mr J. Fox

Sir,—Your editorial (February 3) concerning the water issue raised one much overlooked aspect of UK industrial relations.

National joint bodies formed to represent an industry's interests are very laudable but the mistake is too often made in thinking that these bodies should negotiate wage increases. At national level unions have become too much part of the establishment and politically motivated. They therefore now very often fail to represent their members' interests. Furthermore, by being willing to meet unions in this way management presents them with a platform which enables a few people to exercise a disproportionate degree of power.

Mainly as a result of the present recession there is a greater degree of management/union involvement at local level. This is leading to people wishing to decide their own future and not leave it to national bodies. If a local undertaking is responsible for its costs and profit it should also be responsible for one of its major cost areas; that of pay.

Very few work people will suffer self-inflicted hardship for long but can do little to influence the momentum of a nationally inflicted hardship before much damage is done to them and sometimes the country.

J. G. Fox.
Pasture House, Horingham, York.

Handling the water supply

From the Director of Engineering, Thames Water Authority.

Sir,—While grateful to you for bringing before your readers (Labour news, February 9) the hyperbole of Mr George Lawson, a General Municipal and Boilermakers Union "strike co-ordinator," may I assure them that their water supply is not in the hands of "amateurs." It is under the control now, as it always is, of professional engineers who have dedicated their careers to the public service.

Old-fashioned—perhaps; but every one of our volunteers undertaking essential operational tasks at present is trained and experienced. For this reason they may be regarded as amateurs in the true sense of that much-abused word, but not in the pejorative sense used by this minor trades union official.

C. S. Sinnott.
New River Head, Rosebery Avenue, EC1.

FINANCIAL TIMES

Thursday February 10 1983

Ireland's budget lifts taxes and cuts spending

By Brendan Keenan in Dublin

THE IRISH Government has iotroduced a tough budget to carrect puhlic finances, with sharp increases in income tax and value added tax (VAT) and cuts in government spending of over I£300m ($408m). The overall effect will be to add 3.5 per ceot to the cost of living this year, but will reduce government borrowing from 16 per ceot of GNP to 13 per cent.

The budget was the first to be introduced hy Dr Garret FitzGerald's coalition Government, which took office last December. It was sharply criticised hy Mr Charles Haughey, the opposition leader who said that the cuts in the Government's capital programme would create further unemployment.

Mr Alan Dukes, Finance Minister, proposes to cut the capital budget of I£2.1ho hy I£220m, with major reductions in investmeot in telecommunications, roads and bousing.

The budget will still leave a deficit on current spending of I£900m, hut Mr Dukes claimed this would have been I£1.2hn if the corrective measures had not been taken.

Tax payers will face a 1 per cent increase across the wbole range of income tax and receive no relief from the effects of Inflation, which is now likely to be around 12 per cent in 1983.

A oew top rate of 65 per cent will be payable on taxable income in excess of I£10,000. Interest reliefs on personal loans is abolished.

The major VAT rates are increased hy 5 per cent, with the 18 per cent rate golng to 23 per cent and the 30 per cent rate to 35 per cent. There will be special duties on televisions and video equipment. The increases will be offset in the case of drink and tobacco, which *suffered a rise in excise duty last* month, hut petrol will go up by 11 Irish pence per gallon. This means petrol has gone up by 25p a gallon since the start of the year. The budget also abolished tax relief on personal loans.

Mr Dukes also announced a crackdown on tax evaders, with plans for up to two years' Imprisonment – plus fines – for tax evasion Involving fraud. Officers of coovicted companies will be liable for the penalties.

From next year, the Irish tax authorities will puhlish the names of people and companies convicted of tax evasion or who bave settled after investigation. Mr Dukes said he believed the measures would greatly reduce the serious problem of evasion.

Companies will be obliged to pay advance corporation tax, which means that tax will be payable on dividends even if the company itself is not eligible for corporatioo tax. A number of leading Irisb companies paid early dividends in recent weeks in anticipation of sucb a change.

German union urges shorter working week

BY STEWART FLEMING IN FRANKFURT

WEST GERMANY's third largest trade union, the 670,000-strong IG Chemie-Papier-Keramik, is seeking in the industry's wage talks, whicb begin officially on March 24, to negobate a shortening of the working week for older shift workers.

The move marks a radical departure in this year's wage round and is causing consternatioo among employers' groups within other industries and among other trade unions. Both groups fear that the chemical industry talks could set precedents *which will restrict their room for* manoeuvre in later wage talks.

Hitherto the employers umhrella organisation, the Association of German Employers' Federations (BDI), has operated under an agreement that oo employers' group will renegotiate working bours below the current 40-bour week.

At a meeting earlier this week, the chemical industry employers agreed to press ahead with talks on a shorter working week although this issue is on the so-called "taboo list" of the employers' federations.

On the union side, IG Metall, West Germany's largest union, traditionally sets the pace io wage talks. The union has this year put in a straight wage increase claim, making clear that the questioo of a sborter working week (it wants a 35-hour week for all its members) will be a central plank in next year's talks. At present, IG Metall is bound by a three-year agreemeot, expiring next year, which excludes working hours from the annual wage talks.

A spokesman for IG Chemie said *yesterday that it was the union's* view that the serious unemployment in West Germany demands that this year's negotiations should not just be limited to the question of a percentage wage increase. It should also begin to address the issue of shortening the working week to increase job opportunities, especially for younger people.

The union will ask for a wage increase aimed at compensating for inflation io the recognitioo that, if it achieves concessions on working time, the general wage increase will have to be lower.

In contrast to IG Metall, however, the union is seeking a 35-bour week only for members who work shifts and wbo are over 55, a group wbich, the union says, accounts for about 10 per ceot of its membership.

The decision of both sides in the chemical industry to break ranks and discuss the working week is seen as reflecting the traditionally good industrial relations in the industry. There bas been an ahsence of the tough, at times ideological, collective hargaining seen in the metal industry.

Other employers' groups fear that the chemical industry talks could result in an agreement whicb will set a precedent for a shorter working week and a target for other unions to improve on.

In the unions, on the other hand, the sigbt of unioo solidarity being hrokeo will be disturbing, and there are anxieties that IG Chemie may agree to a reafirmation of the 40-hour week for most workers in order to secure a 35-bour week for older shift workers.

Belgium's chemical producers agree to create 3% more jobs

BY GILES MERRITT IN BRUSSELS

A NOVEL "hiring pact" has beeo agreed by Belgium's chemicals and petrochemicals producers under which all but those companies employing fewer than 50 people will voluntarily swell their payrolls by at least 3 per ceot.

The agreement is expected to create some 2,500 new johs in the sector wbich currently employs nearly 90,000 people. Priority will be given to young unemployed under 25 years of age and to both male and female beads of family.

The measure is a contribution to Belgium's national drive to contain rising unemployment new reckoned to stand at some 700,000 people in a country of 10m. It is also understood to be under examination by both the petroleum and food industries here.

The employment and training scheme is, in fact, a modification of Belgium's new national working time adjustment rules that come into force on March 15, and follows negotiation with the Government. The Belgian Chemical Industries' Federation traded its hiring initiative against a smaller reduction of working hours.

Instead of the 5 per cent reduction in the working week being introduced througbout Belgium, the chemicals companies will be permitted to reduce tbeir week by only 2.5 per cent. And rather than observe the accompanying national reduction of 3 per cent in planned pay offers tbey will bave discretion to negotiate an unspecified degree of wage moderation at plant level.

Officials at the Belgian federation emphasise that the scheme has the advantage of making an immediate impact oo employment, yet is in the long-run cheaper and more flexible for employers. It also ensures that its members will not be liable to the stringent fines that the governmeot threatens to levy on companies that miss the mid-Marcb deadline.

£108m Ultramar issue to fund exploration and cut debt

BY DOMINIC LAWSON IN LONDON

ULTRAMAR, the independeot British oil company, has called on its sharebolders in a £108m ($185m) rights issue. The rights issue, which is the second largest ever by a British oil company, is on a one for four basis at 400p per share.

The company says that capital expenditure ln the period from 1982 to 1984 is expected to be about £700m, and that an injection of equity was desirable to contribute to the cost of its exploration programme.

Mr Peter Raven, Ultramar's finance director, said yesterday that the company's debt to equity ratio was "above 50 per cent, which will now be suhstantially reduced."

Mr Arnold Lorbeer, Ultramar cbairman, insisted yesterday that "the company is not raising the mooey for any specific acquisition." He added, however, that "we have been actively looking for acquisitions, and we are particularly interested in the U.S. and the UK."

A rights issue from Ultramar had been rumoured for some time, and the shares had weakened in the past three days.

Mr Richard Webb, of Morgan Grenfell, underwriters to the issue, said yesterday, "the sbares looked a bit leaky over the past few days." The pricing of the issue had been extremely difficult and complex, with Opec in disarray, and oil stocks generally underperforming the market.

In announcing the rights issue Ultramar said net profits for the year to December 31 1982 "will be not less than £100m." Oil analysts yesterday said that this figure, which compares with £90.7m in 1981, was in line with outside forecasts.

When the news of the casb call broke at 9.30 yesterday morning the sbares were marked down 32p to 468p per share, hut by the close the shares had reached 490p, 10p down on the day.

See Lex; details, Page 26

'Phantom' trading adds to oil price pressure

By Ray Dafter, Energy Editor, in London

PHANTOM cargoes of North Sea oil are being traded in the spot market, adding pricing pressures on British National Oil Corporation (BNOC), the main trader of UK crude.

Millions of pounds worth of North Sea oil are reported to be changing hands in a spate of speculative deals between traders. In some cases the transactions are no more than paper deals with no actual oil involved. The trading is done on the basis that sbould a refiner want to *lift* oil, this *will* be readily availahle.

Traders report that some individual "cargoes" are beiog traded as many as 30 or 40 times. One "daisy chain" – as these multiple transactions are called – has involved 46 huyers.

The significance of these deals lies in the fact that each time a transaction is made, a spot price is recorded – invariahly well below the official North Sea price of $33.50 a barrel. The spot price of Brent crude – the oil normally nominated in the "daisy chains" – was yesterday quoted at about $28.70 a harrel.

The low level of spot prices ls being used by BNOC's main customers to support their claim that official rates should he cut by several dollars.

There bas been iodustry speculation that BNOC will lower rates hy up to $3.50 a harrel within the next week. This should trigger a $4 a barrel price cut by members of the Organisation of Petroleum Exporting Countries (Opec).

Opec ls coming under increasing pricing pressure as a result of the decision by one of its members – Ecuador – to allow its prices to be set by free market forces. Ecuador, one of the smallest Opec producers, has been selling much of its output on a discount basis for less than $30 a barrel.

Carla Rapoport adds: Mr Hamisb Gray, Britain's Minister of State for Energy, last night hit out at other European countries for lagging behind on needed cutbacks in refinery capacity.

"Why at a time when Europe has a 40 per cent surplus of refinery capacity, have we, Belgium and Germany been alone in announcing major closures over the last year or so?

"How does Spain, for example, in today's circumstances, justify a massive expansion of upgrading capacity without any closures?" said Mr Gray at the annual dinner in London of the Institute of Petroleum.

"In times of overcapacity in the product market, there is a need for the sharing of equal misery," Mr Gray said. He added that the fall in oil prices would not be necessarily detrimental to Britain's economy.

"We are also major traders in other goods and services and stand to benefit from any expansion in world trade, so the benefits from a moderate fall in world oil prices would outweigh the direct impact on our Exchequer revenues, and our balance of paymeots position would be fairly resilieot."

'Flip-coin' business in the spot oil market, Page 20

Cummins sees earnings fall by $106m

By Richard Lambert in New York

CUMMINS Engine, the U.S. manufacturer of diesel eogines, saw net earnings plunge from $114m to $7.7m in 1982. Before foreign currency gains and income tax, the company recorded a loss of $25.8m, against a profit of $119.5m a year earlier. Earnings per share fell from $13.10 to 21 cents.

Sales for the year fell 19 per cent to $1.6bn as worldwide engine and kit shipments dropped by 31 per ceot to 85,000 units.

Cummins said its share of the North American market for heavy-duty diesel trucks had risen by nearly 2 per cent to 54.5 per cent, but North American truck shipments in this sector fell by 31 per cent to 75,000 units during the year.

The company yesterday announced the recall of some 200 productioo related employees from early next month, but said that there was no evidence of an upturn in any of its markets. A modest increase in engine orders in recent weeks appeared to be primarily due to a move by some customers to avoid the higher excise tax on new trucks, which becomes effective on April 1.

Net income in the fourth quarter fell from $20.5m to $4.2m and sales in the *final* period were a fifth lower at $381.5m.

THE LEX COLUMN

The bulls clear the ring

The queues outside the Old Broad Street braoch of Lloyd's Bank yesterday morning set the tone for the mnst confident day of equity trading so far this year. The ABP offer looks like being very heavily oversubscribed and a few stags, aware that they might be unlucky in the ballot, probahly sauntered down the road to try their luck in Threadneedle Street.

But that hardly accounts for the *monumental volume* seeo on *the* Stock Exchange yesterday. Institutinns are trading their portfolios very actively and appear to be allocating most of their cash flows, as well as their liquid holdings, to the equity market. The advance is now very broadly hased, with all but five of the FT Actuaries Indices showing some progress yesterday.

The *flurry* of activity has probahly left the jobbers a little short of the most popular leading stocks, so there appears to be some technical support left in the market. The fundamental bullishness – based on a greater optimism about manufacturing activity and on the prospects for a pre-hudget cut in base rates – migbt be shot away hy another run on sterling, but yesterday's modest rise in the FT-A All-Share Index gave no real indication of the present strength of enthusiasm for equities.

Ultramar

Ultramar has not been afraid to take a bit of a risk with yesterday's one for four rights issue, which will raise £108m. Uncertainty about Opec's pricing discipline overhangs the sector, while the prospect of a 115p Britoil call in April can hardly be overwhelming fund managers with enthusiasm for oil stocks. By size, the issue ranks in the all-time UK Top Ten, so the company has played safe with a 20 per cent discount even though an efficient rumour mill had already depressed the share price to 500.

Ultramar's heavy capital expenditure programme – totalling some £700m in the three years from the beginning of 1982 – has marked it down as a prime rights issue candidate for many months. Without an issue, net deht was set to exceed 70 per cent of shareholders' funds hy the end of this year. Nevertheless, since the summer the shares have *sharply outperformed the sector* with a 200p rise to a peak of 580p. The lure has been a series of projects – in Indonesia, the North Sea and Quebec – which should push net profits up by about 50 per cent by 1984 from last year's £100m.

In its hreakneck journey towards the first division, concern about balance sheet gearing provides only a very partial motivation for the issue. As the strains on the weaker hrethren in the oil community grow, Ultramar wants to be in a position to take advantage of distress sales on both sides of the Atlantic.

Vantona/Carrington

Mr Joe Hyman's graceful albeit delayed, surrender of his 7 per cent Carrington Viyella stake to Vantona has eliminated the problem of dealing with a minority in a merger which was complicated enough without this additional irritation. The root of objection against Mr Hyman was that the capital reconstruction following the merger would involve the injection of Vantona's operating units into CV, and would thus have given a free gift of new assets to a dissident – who would then qualify for dividends.

CV has not paid an ordinary dividend for three years, and its distributable revenue reserves, which contained only about £2m at the end of 1981, will go into substantial deficit to soak up £8m of attrihutahle 1982 losses, to say nothing of the company's share of group reconstruction costs. To allow dividends to flow again, these negative items are to be cancelled by writing down the equity capital.

A substantial juggling of assets will also be required to take advantage of Carrington Viyella's accumulated tax losses, which may now amount to around £35m – about £9m more than the combined group's present market capitalisation. *The problem of shielding* current profits with past losses, a tricky enough exercise after a change of ownership, would clearly have been even more difficult if the group had to put individual deals to minorities.

Goodyear

After spending most of the 1970s belatedly chasing Michelin into the radial tyre market, Goodyear has turned back on the offensive. The group bas invested heavily enough in plant and product development to improve operating margins in a catastrophic year for the tyre industry and pre-tax income has been held almost level in 1982.

But this performance has obviously not made Goodyear too confident about the longer-term prospects for its basic business. Its paper offer for Celeron, a Louisiana gas distributor, is worth about $750m, a hig enough chunk to provide a significant insurance policy against tyres. On top of that, Goodyear should be able to use Celeron as a feedstock supplier for the tyre company's southern synthetic rubber plants.

Further diversification could still be in the pipeline. Goodyear has reduced net debt from 51 to 39 per cent of shareholders' funds in the past year, so it is now in a position to go out and pay hard cash for anything tempting.

Begin undecided

Continued from Page 1

do so because of *his* failure to supervise the Phalangists who slaughtered hundreds of refugees in Beirut last September.

The Commission of Inquiry found Israel morally responsible for the action of the Phalangists, and all but one Israeli newspaper said that the Government must accept its recommendations.

Apart from the Defence Minister, the upper ranks of the mifitary bave drawn most of the report's fire. Gen Sharon yesterday told the general staff in Tel Aviv that he would suggest the cabinet accepts the Commission's report in general, but ignore its recommendations to dismiss or punish some of the officers involved.

In response to a request hy the army Chief-of-Staff, General Rafael Eitan, today's Cabinet meeting will hear evidence from some of the senior army officers who were severely censured by the Commission.

However, Mr Begin was more concerned yesterday with making a *political deal whicb would* keep him in power, than with punisbing those found guilty of improper actioo by the Commission.

Mr Begin was reportedly in favour of calling new elections, confident that he would be returned with an enlarged representation in the Knesset hut his junior coalition partners ohject because they fear that they would lose seats if the elections were held now.

Another option is for the Premier to return his mandate to the President, with the intentioo of quickly forming a new government. But this is a very dangerous manoeuvre because there is the possibility that the oppositon Labour Party may be able to put together an alternative

£½bn bids for ABP

Continued from Page 1

The major engineering and industrial stocks enjoyed another day in the spotlight with Hawker Siddeley *adding 8p to 366p* and GKN 5p to 145p. BOC Group recovered from the fall earlier in the week to put oo 5p at 183p. GEC climbed 4p to 204p at the official close and was going strongly in *after*-bours trading.

The FT Industrial Ordinary Index is now 36 points up so far during the curreot account which started on January 31 and 57.1 points above its level at the turn of the year.

The value of daily share hargains has exceeded £300m on four occasions so far in 1983 and the signs were yesterday that husiness is huilding up.

When the Government put a £45m price tag on the Associated Britisb Ports stake, many analysts were surprised, having expected a figure of perhaps twice that amount.

Mr Alan Kelsey of hrokers Kitcat and Aitken said last night: "The Governmeot had to avoid another Britoil, and the margin between success and failure could have been as little as 5p per share. The issue has been helped by an enormously buoyant stock market generally, hut there were institutions which migbt bave been reluctant to buy because of Britoil, so the Government bad to price it attractively."

At the City hranch of Lloyds Bank share application lists opeoed at 10am and closed one minute later.

There were a large number of small investors among the would be purchasers.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	F	10	50	Dubrovnik	C	11	52	Malaga	S	12	54	Salzburg	C	0	34
Akrotiri	S	16	61	Faro	S	11	52	Malta	S	18	64	Seoul	C	0	32
Algiers	C	13	55	Florence	R	5	41	Manila	F	31	88	Singapore	R	31	88
Amsterdam	Sn	-1	30	Frankfurt	S	0	32	Miami	C	21	70	Stockholm	F	-6	21
Athens	S	17	63	Funchal	–	—	–	Milan	C	1	34	Strasbourg	C	0	32
Bahrain	S	17	63	Geneva	C	0	32	Moscow	C	-6	21	Sydney	S	25	77
Bangkok	F	31	88	Gibraltar	F	13	55	Munich	C	-2	28	Taipei	C	15	59
Barcelona	C	6	43	Guernsey	F	2	36	Nairobi	F	29	84	Tangier	F	10	50
Beirut	S	18	64	Helsinki	F	-10	14	Naples	F	10	50	Tehran	–	—	—
Belgrade	R	6	43	H. Kong	C	15	59	New Delhi	S	17	63	Tel Aviv	S	16	61
Berlin	S	-1	30	Innsbruck	S	-1	30	New York	F	2	36	Tenerife	F	17	63
Biarritz	F	4	39	Inverness	C	4	39	Nice	F	10	50	Tokyo	F	13	55
Blackpool	S	2	36	Istanbul	R	15	59	Oporto	S	8	46	Toronto	C	-1	30
Bordeaux	C	1	34	Jersey	F	3	37	Oslo	S	-9	16	Tunis	S	16	61
Brussels	C	-1	30	Jo'burg	F	27	81	Paris	F	-1	30	Valencia	S	8	46
Budapest	C	1	34	Las Palmas	F	18	64	Prague	F	-2	28	Venice	F	5	41
B. Aires	F	34	93	Lima	F	29	84	Reykjavik	C	-1	30	Vienna	Sn	-2	28
Cairo	F	19	66	Lisbon	S	9	48	Rio de J'o	C	32	90	Warsaw	C	-2	28
Cape Town	S	24	75	Locarno	Sn	1	34	Rome	C	11	52	Zurich	C	-1	30
Caracas	F	27	81	London	S	2	36								
Casablanca	R	12	54	Los Angeles	F	20	68								
Copenhagen	S	-1	30	Luxembourg	Sn	-3	27								
Corfu	S	18	64	Madrid	S	2	36								
Dublin	Sl	3	37	Majorca	S	9	48								

Readings at mid-day yesterday

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Tough reflation stand

Continued from Page 1

official credit would need to douhle to $450bn by 1986.

The group of 24 representing the less developed countries yesterday contioued to press for a doubling of quota subscriptions to SDR 125bn ($135bn) and also pointed out that debt service payments, as a proportion of export earnings for this gronp of countries, rose to 24 per cent in 1982 compared with 17 per cent in 1980.

They strongly believe that some reflation is necessary to avert a worsening of the plight of the under-developed world.

In the run-up to this week's meetings, all but four of the fund's 22 directors supported this idea of a douhling of quotas. In Brussels on Monday, however, all the EEC countries agreed to compromise with an increase to SDR 90bn or more. This leaves the U.S. isolated and still talking about an increase of little over 40 per cent to SDR 85bn.

The indications are that a compromise agreement will be reached at about SDR 90 to SDR 100bn. West Germany and Japan, which want their sbare of the total subscriptions to be increased, bave an interest in a relatively larger total *rise since this would* make relative adjustments easier.

Published by The Financial Times (Europe) Ltd., Frankfurt Branch, represented by G.T.S. Damer, Frankfurt/Main, A.Y. Hare, R.A.F. McClean, M.C. Gorman, B.A. Lawrence, D.E.P. Palmer, London, as members of the Board of Directors. Printer: Frankfurter Societats-Druckerei GmbH, Frankfurt/Main. Responsible editor: John Davies, Frankfurt/Main © The Financial Times Ltd, 1983.

SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday February 10 1983

Aetna results hit by tax ruling

By Our New York Staff

AETNA LIFE and Casualty, a leading U.S. insurance group, and Bank America, holding company of the second largest U.S. bank, have been forced to revise downwards their profit figures following Securities and Exchange Commission (SEC) decisions on some of their accounting procedures.

The accounting principle in question provides that the tax benefits of carryforwards can be reflected in current earnings if there is assurance beyond any reasonable doubt that current losses can be offset against future earnings within a 15-year period.

Aetna said that management and the independent auditors, Peat Marwick, believed that realisation was assured beyond reasonable doubt. Although it has been forced to change its practice for the final quarter of 1982, it has not restated its earnings for the first nine months of the year.

On this basis, the company reported operating earnings for the year of $522m, of which $203m stemmed from the tax benefits credited in the first nine months of the year. Earnings of $491m in 1981 included a credit of $27m for the full year.

Mr Jnhn Filer, Aetna's chairman, said: "We will promptly take a number of economically sound steps to accelerate recovery of the benefit of our tax loss carryforwards. Such actinns will significantly reduce the effect of excluding future tax benefits in 1983 earnings."

The net result, he added would be that the reduction in this year's earnings arising from the new accounting practice would not be of "major proportions."

The SEC said yesterday it would need to study Aetna's statement before it could decide whether it was satisfied with the presentation of the 1982 figures.

BankAmerica originally reported a 13.3 per cent decline in fourth-quarter operating earnings to $73.4m, or 46 cents a share, against $84.6m, or 57 cents, in the 1981 quarter.

However, the operating earnings in the 1982 fourth quarter included a $30.8m, or 21 cents a share tax-free gain from an exchange of equity for outstanding debt. The item represented 58 per cent of the bank's quarterly earnings.

The SEC insisted that the tax-free gain be counted as an extraordinary item rather than part of net operating income.

'BUY AMERICAN' FEELING GROWS

IBM case likely to hurt Hitachi in U.S.

BY LOUISE KEHOE IN SAN FRANCISCO

HITACHI'S "guilty" plea to charges that it conspired to steal some IBM computer secrets will have a significant impact on the Japanese computer company's business in the U.S., according to industry analysts. A strong "buy American" attitude has been spawned by the scandal surrounding this extraordinary case in which 14 employees of Hitachi were caught by a Federal Bureau of Investigation undercover "sting" investigation.

"There is a code in the U.S. computer business that states that all is fair in fighting IBM," said Mr Frank Jens of the Yankee Group, a firm of business consultants. "But that code does not apply to the Japanese competitors. This case will certainly have some short-term effects on Hitachi's business in the U.S. but in a year or so it will be forgotten," he predicted.

Others believe, however, that there will be important long-term effects of the IBM secrets case. Hitachi currently sells computers in the U.S. through National Advanced Systems, a subsidiary of California-based National Semiconductor. That company's computer sales were badly affected by the puhlicity surrounding the theft charges against Hitachi in June and July, although the company claims that business has since improved.

Industry speculation suggests, however, that National Semiconductor may have been considering the sale of its NAS subsidiary, possibly to Hitachi, io the near future. "National Semiconductor does not need the drain on resources that NAS has represented over the past few years," said Mr Jens.

Any such plans to dispose of NAS would not be feasihle due to the Hitachi prosecution.

NAS managers seemed to be shocked by Hitachi's plea of guilty to the theft of secrets charges. "We don't know what has happened," said a company spokesman on Tuesday. A statement prepared by NAS was clearly designed to deal with a quite different settlement of the matter.

Last week NAS announced that it was discontinuing manufacture of its own computers in the U.S. and would replace these products with Hitachi-built machines. This expanded NAS's marketing agreement with Hitachi. According to NAS president Mr David Martin, Natinnal and Hitachi have formed a strong long-term relationship which involves co-operation on marketing of current products.

National says that there is on question that it will continue its relationship with Hitachi despite the criminal prosecution.

Hitachi's willingness to plea bargain with U.S. authorities is said hy sources close to the case to have been motivated hy the Japanese company's desire to have four of its employees who face similar charges in the U.S. – allowed to return to Japan rather than face a long enforced stay in the U.S.

Hitachi's U.S. defence lawyer, Mr Peter Fleming, said Hitachi's board "understand full well" that under American law a corporation may be judged criminally liable because of the conduct of its employees. Even while entering the guilty plea in a San Francisco courtroom, however, Mr Fleming insisted that Hitachi management had not been aware of the actions of its employees.

By bringing the criminal case to a swift end, Hitachi is seen to be attempting to minimise the bad publicity which it has been receiving in the U.S.

A related civil suit filed by IBM against Hitachi and NAS is, bowever still pending. Hitachi bas beeo granted a delay in court proceedings of 60 days in which to negotiate a settlemeot with the U.S. company. IBM is seeking unspecified damages, the return of stolen documents and an end to "unfair competition" by Hitachi and NAS.

IBM said yesterday it had every intentinn of pursuing its civil suit. IBM's motives in suing Hitachi and NAS have been brought into questino by the defendant's lawyers, who claim that IBM is trying to discredit its competitors.

IBM is alleged by defence lawyers to have masterminded the undercover investigation which netted some of its toughest competitors in the mainframe computer business. Even FBI agents admit that IBM "did everything except pay for the undercover investigation." IBM says, however, that it is simply attempting to protect its property.

The legality nf the FBI's tactics in this investigation bas been questioned hy the defendants. The FBI undercover operation was, accordiog to court documeots, originally set up to investigate the Silicon Valley "grey market" in stolen high technology products which were believed to be finding their way to the Soviet Unioo.

Following information supplied hy IBM, however, the thrust of the investigation was turned towards the Japanese. This change of direction was, the defence charged, contrary to FBI regulations.

Criminal charges against Mitsubishi Electric, also of Japan, the same investigatinn still stand. A trial date has been set for July. Mitsuhishi has not been involved in pre-trial plea hargaining negotiatinns according to the company's lawyers.

Spain to increase foreign borrowing by 20% this year

BY DAVID WHITE IN MADRID

FOREIGN borrowing hy the Spanish puhlic and private sectors is expected to increase hy about 20 per cent to almost $5bn this year, amid signs nf increasingly difficult conditions fnr Spanish borrowers nn international markets.

Seninr government officials have confirmed as realistic the fnrecast for gross new deht and refinancing operations, although the state still has to define its own borrowing requirements for the year.

The state, which recently launched its first borrowing operation of the year, is expected to seek up to $1.5bn. Overall new borrowing hy the public sector, including the industrial bolding unit, is forecast at $3bn or slightly mnre, and private-sector borrowing at close to $1.8bn.

Total gross borrowing abroad last year is estimated at about $4.1bo to $4.2hn.

Spanish borrowers have received a cooler reception because of initial difficulties in placing the kingdom's $200m, 10-year, floating-rate note issue, which is being arranged through Lehmao Brothers.

However, government officials see the tough ronditinns attached to the recent $100m nperatinn hy the Catalan Electrical Company (Fecsa) – a full percentage point above Londoo Inter-Bank Offered Rate (Libor) – as exceptinnal.

Official figures showed a total external debt nf $27.4bn at the eod nf last year's third quarter. Of this, $12.2bn was in the puhlic sector and the remainder owed by private sector borrowers.

Alan Friedman writes from London: Chase Manhattan said last night it was completing a $150m Eurocredil fnr Spain's Sevillana de Electricidad, the Seville-based utility.

The terms, [illegible] per cent over Libor fnr seveo years (three years' grace period) nr [illegible] per cent over U.S. prime fnr five years (three years' grace period), are tougher than this borrower has previously had to pay. No more than 60 per cent nf the total Eurocredit may be prime-linked.

Agee to resign from two top positions

BY OUR NEW YORK STAFF

MR WILLIAM AGEE, the man at the centre of both nne of the most publicised takeover battles and boardroom romances in recent years, is to resign his position as chairman of Bendix and president of Allied Corporation by June 1.

The news came a day after Mr Alonzo McDonald announced in the iciest of terms that he would "step aside" as president of Bendix, and just a week after Allied's stockholders formally approved its takeover of Bendix.

Bendix bas confirmed that as a result of a so-called "golden parachute" arranged by Bendix's board during the course of last year'a bid struggle, Mr Agee would be eligible for compensation worth some $5.5m.

Mr Edward Hennessy, Allied chairman, said that he and Mr Agee had "reluctantly" agreed that once the merger was accomplished "it is unlikely that a position in the combined company will be available that would utilise his wide range of talents."

Although he is resigning his senior executive positinns, Mr Agee will stand for re-election to the Allied board at April's annual meeting. "His counsel will be extremely valuable to us," Mr Hennessy said.

The events leading up to Tuesday's news started last year when Mr Agee, an abrasive 45-year-old who has himself seen off a good number of executives from the Bendix board, made a botly-opposed takever bid for Martin Marietta. The ensuing brawl brought bids and counter-bids involving United Technologies as well as Allied Corporation.

Immediately after Allied's successful offer, Mr Hennessy had some unkind things to say about Mr Agee's bid tactics, and made it clear that he would not be taking the prime role at Allied.

His resignation brings to an end a six-year spell at the top of Bendix which has received almost as mucb attention in the gossip columns as in the financial pages. His romance with Ms Mary Cunningham, a former Bendix executive who is now his wife, did not melt every heart in Southfield, Michigan, Bendix's home town.

There were no indications so far of Mr Agee's future plans.

AGA lifts pre-tax earnings by 80%

By David Brown in Stockholm

AGA, the Swedish industrial Gas Group has announced an 80 per cent boost in pre-tax profits from SKr 154m ($20.7m) to SKr 285m in 1982, after SKr 239m in currency losses in its preliminary results.

Befnre the losses and extraordinary items, group earnings climbed 30 per cent over last year to SKr 480m. The bulk of Aga's business is ahroad and the conversion of foreign currency liability and monetary assets into the Swedish krona, which was devalued by 16 per cent last October, accounted for the large currency losses. The board proposes a dividend of SKr 8.75 per share up from SKr 7.75 in 1981.

Aga's 1982 sales were put at SKr 4.9bn. The company sold its majority interest in the Pharos Engineering Company this year, and said the adjusted sales figure, althougb showing a slight decrease over last year's SKr 5bn, actually represented an increase in parent company sales of 12 per cent. The company registered an SKr 49m extraordinary item from the disposal of Pharos and other interests.

Profits growth for South African banks

BY OUR JOHANNESBURG CORRESPONDENT

SOUTH AFRICA's two largest banking groups, Barclays Natinnal, and Standard, both improved their profits strongly in 1982 in a banking climate which grew increasingly cooducive to operating advances.

Barclays National, which is the country's largest banking group, and is a 56 per cent-owned subsidiary of Barclays International, increased its pre-tax operating income by 22.3 per cent to R152.5m ($135m) from R124.7m.

The bank says that the main reasons for this was the decision of the Reserve Bank to reduce the amount of cash reserves banks have to hold against short-term deposits and the severance of the link between the prime rate and the bank rate.

The first of these moves enahled the bank to invest more of its assets at attractive rates while the second meant that interest rates could be increased and the margins between the bank's lending rate and its cost of funds widened.

Barclays has adopted a strategy of protecting its market position as the country's largest banking group. As part of this strategy its hire purchase and consumer finance arm, Wesbank, aggressively sought new business, adding more than R1bn to the books at favourable rates. With assets of more than R2hn, Weshank believes it is well positiooed to take advantage of an expected sustained drop in interest rates.

Barclays total dividend has been increased to 75 cents from 63 cents, while earnings for 1982 were 190.8 cents against 151.4 cents a sbare in 1981. This bas increased dividend cover which the directors believe is necessary to provide additional capital on which to base an expected rapid increase in the groups assets this year. In 1982 total assets increased 21.6 per cent to R13.1hn from R10.8hn.

Standard Bank, which is the country's second largest banking group and is a 58 per cent subsidiary of Standard Chartered, improved its pre-tax operating profit by 52.8 per cent to R130.1m from R85.2m in 1981, while the group's total assets advanced to R10hn from R8.4bn.

The profit improvement was much better than had been expected at the interim stage last year and arose, the directors say, because of favourable interest rate movemens, substantial foreign exchange profits as a result of the rand's second-half exchange rate advance and a greater volume of husiness.

TOP NAMES GATHER TO HEAD ONE OF THE LARGEST INVESTMENT INSTITUTIONS

Robeco banks on future success

BY WALTER ELLIS IN AMSTERDAM

WHAT HAVE the following personalities in common, apart from their vast experience of interoational politics and finance: Mr Robert McNamara, nne-time U.S. Defence Secretary and President of the World Bank, Dr Sahuro Okita, former Japanese Foreign Minister and current chairman of his country's National Institute for Domestic and Interoational Policy Studies, Dr Guido Carli, ex-Governor of the Bank of Italy and now President of the Unino of Industries of the European Community, Mme Simooe Veil, French Health Minister under President Valery Giscard d'Estaing and Head nf the European Parliament from 1979 to 1982?

Answer: they are all newly-recruited advisers to the Robeco Group, based in Rotterdam, one of the largest investment institutions in the world, whicb this year celehrates its 50th anniversary.

Mme Veil is in fact now a member of the board of supervisory directors. Her colleagues include Herr Walter Scheel, the former West German President, Lord Cromer, a governor of the Bank of England and Dr Hans Witteveen, ex-Finance Minister nf the Netherlands and nne-time managing director nf the IMF.

Such an illustrious gathering of hig names was nnt, nf course, assemhled by cbance. All of those listed above, and their many seninr colleagues at the top of Robeco, were hand-picked for their excellence as well as their eminence, and they each accepted the offer made to them in the knowledge that they were joining one of the most consistently profitable nf international enterprises.

Assets worldwide nf Robeco were valued at Fl 14.3bn ($5.3hn) at the end of 1982 – a 30.5 per centincrease on 1981 – making the group the higgest of its kind outside the U.S.

It was in January 1929 that a group of Rotterdam shipowners, bankers and husinessmen formed an investment club, the Rotterdamsch Beleggingsconsortium, based nn the need "to spare the private investor the cares and worries connected with that part of his capital the investment of which requires special care and daily attention."

In 50 years, Robeco has grown from a Rotterdam investment club to one of the largest and most consistently profitable institutions in the world. It still caters for the private investor.

The 36 original participants were told it was hoped that, with a widespread portfolio, for the small shareholder in particular the club "could be useful". They were not to be disappointed.

In 1933, Robeco acquired corporate status, and between then and 1937 growth was steady but modest. Quotation on the Amsterdam stock exchange boosted interest considershly, and by the eod nf 1938, net assets had jumped from Fl 3.9m to Fl 15.3m.

Hitler's invasion of the Netherlands naturally balted developmeot for a time, but the post-war years saw a considerable increase in international interest. Robeco stock was quoted first in France then in Britain, Belgium, Switzerland and West Germany. Today, it is listed on 19 exchanges round the world, including Hong Kong and Tokyo.

Dr. T. Scholten, executive chairman of Robeco, considers the groups position today to be "exceptionally good". Funds are invested in 15 countries, with 42 per cent nf assets held in the U.S. 20 per ceot in the Netherlands, 11 per cent in Japan and – a sign of the times – a mere 3 per cent in Britain.

A recent survey, be said, had shown that nne in every 15 Dutchmen invested in officially listed shares, and many of these, together with investors from more than 100 other nations, were putting their faith in Robeco.

While the group as a whole has clearly thrived since the war, much of the success of recent years can be attrihuted to the growth of Robeco's four sister companies: Rolinco, Rorento, Rodamco and Roparco.

First of the new veotures was Rolinco, set up in 1965 with a view to attracting those investors prepared to accept a reduced annual income in return fnr an accelerated capital growth. Rolinco does, nf course, issue cash dividends, supplemented from time to time hy scrip issues, but it is focused more on lnng-term appreciatino and, as such, now has a large and loyal fnllowing. At the end of last year, Rolinco's net assets stood At Fl 2.9bn, an increase over 1981 of Fl 153m.

Roreoto, establisbed in 1974, handles its investment business from a base in Curacao, in the Netherlands Antilles. It bas the same supervisory board as Robeco and Rolinco but is managed hy a management trust in Curacao.

Rorento has obvious attractions for the "nffshore" investor and at the end nf 1982 recorded a dramatic 68 per cent rise in net assets from nearly Fl 2.4hn in 1981 to a new total of Fl 3.96hn.

In July 1979, the fourth addition, Rodamco, was launched. Rodamco was specially tailored for the age nf high inflation and flagging equity growth. Unlike its sister companies, it does not have ready access to its funds, practically all nf which are invested directly in property.

Finally, in 1981, Roparco, a savings bank which seeks to nffer customers a much higher rate of interest than is usual for savings deposits on the basis that, with its group expertise and low overheads, administrative costs can be held to a minimum. Net assets rose even more dramatically, from Fl 106m in 1981 to no less than Fl 732m – a rate of growth of 590 per cent.

Fnr Robeco as a whnle, 1982 was a boom year fnllowing a disappoioting 1981, and Dr Scholten is optimistic that the present year will show nn fall-off in group performance. Looking further ahead to the next balf century, be sees Robeco as a means of providing access to growth for private investors, faced with a bewildering variety of choice.

"The gap between information and knowledge is going to grow" he said recently. "For the nnn-specialist, fnr the ordinary citizen and consumer, the need fnr reliable advice is increasing, what Robeco with its 50-year unhroken reputation, began with, will be good for the next 50 years as well."

Banks keep a leaky world shipping industry afloat

BY ANDREW FISHER, SHIPPING CORRESPONDENT

THE NUMBER of shipping companies which have plunged into difficulties as markets have collapsed is alarming.

For the banks which have lent billions of dollars to the industry the question is: how long should they keep leaky clients afloat? Freight rates and second-hand prices have edged up recently, but shipowners' profits will remain elusive for some time.

So far, despite the steep slide in all major freight markets, there have been no disastrous failures. But as Mr Hugh Williams, a director of London-based Drewry Shipping Consultants, points out: "The banks don't want it."

Drewry has just published a £120 ($184) study on shipping finance and investment, concentrating on the tanker and bulk-carrier fleets and charting the collapse in asset values.

It reckons shipping companies owe at least $35bn – mostly to banks – on completed or partly-built tankers and bulk carriers in their fleets. This compares with several heavily-indebted countries and poses a serious problem for the lenders. Of this figure, $18bn represents existing ships; $8bn on tankers and nearly $10bn on bulk carriers.

"Banks and lending institutions will do all in their power to avoid collapses," Mr Williams says. These would force asset values down even further and put a large volume of loans even more at risk.

Late last year, the small Colonial Bancorp of the U.S. revealed that its London operation had run into problems with loans to Greek shipowners. This meant losses for the group of $15m to $19m in 1982.

Several big U.S. banks have shipping loan portfolios of $1bn or more. Like other international banks, they are taking a much more flexible view of ship loans now than in the 1970s, prefering to shepherd problem clients along rather than desert them.

Thus a number of solid shipping names are clearly being kept alive only by the banks' unwillingness to foreclose.

Nearly a year ago, the Cast North Atlantic operation of Mr Frank Narby, a Swiss-based Canadian, had to be bailed out by banks and other shareholders by about $200m. Recently, Hapag-Lloyd of West Germany put through a costly restructuring.

In an eerie reminder of the collapse of the tanker market in the 1970s, Hambros Bank of the UK has recently sold a large slice of Hambro Life. This is in part to cover hefty shipping provisions for the Reksten group of Norway. These amount to £60m to £70m after tax.

Average rates of return of shipping (1972–82)

%	Single voyage %	Time charter %	Best mix
250,000 dwt tanker	−10.7	−7.8	−6.8
80,000 dwt tanker	0.7	7.9	10.6
25,000 dwt bulk carrier	−0.9	8.9	10
60,000 dwt bulk carrier	0.9	5.4	6.8

Source: Drewry Shipping Consultants
Returns calculated on capital employed of 1972-delivered ships

Lauro Line of Italy went into receivership last year, while the Grand Marine subsidiary of the ailing Carrian group of Hong Kong is suffering because its fleet is growing too rapidly at a time of shipping crisis.

According to the Drewry study, this tanker fleet of just over 300m deadweight tons (dwt) – at mid-1982 and based on conservative Japanese yard prices – is only worth some $15bn secondhand.

Since the original cost was an estimated $47bn and the net book value $25bn, the figures present a sad picture for the industry and financing institutions. It would cost $111bn to replace the vessels.

In the bulk-carrier market, where owners proved far too enthusiastic in placing new orders in 1979–81, asset values have also fallen, though not quite as steeply. Iron ore, grain and coal are the main cargoes.

It would cost $78bn to replace the bulk fleet of 145m dwt, again based on mid-1982 levels which are higber than today's levels. It originally cost about $33bn, has a book value of $20bn, and is worth just over $22bn on the secondhand market.

The Drewry figures do not tell the whole story. They dn not include lending on other types of ships, further amounts leot for debt restructuring or working capital.

Last autumn, Lloyd's Shipping Economist estimated total mortgage debt on afloat cargo ships at $53bn, with a further $25hn on those under construction. The figures included gas, general cargo and combined carriers, as well as tankers and bulkers.

It is impossible to say how much of this could be at risk, since the variety of lenders and clients ranges through many countries and categories of owners and institutions.

Estimates have ranged between 10 and 25 per cent or more. Drewry does not point the finger at any particular area, but several Greek owners are known to have come unstuck over past optimistic ship purchases.

Greek owners have tended to buy cheap secondhand tonnage in the down market. But they face cash flow problems and numerous vessels are laid-up in Piraeus harbour.

Hong Kong owners, Drewry notes, also have prohlems. Filling the gap has been hard as deals with the Japanese and others run out.

High cost northern European operators, increasingly specialised but subject to growing protectionism in many markets, have the most testing time ahead, Drewry reckons.

One banker who sees hope in 1983 is Mr Boris Nachamkin, head of the world shipping division in London for Bankers Trust of the U.S. "I like some of the signs I'm seeing."

"There'll be no boom and no drastic turnaround – it will just set the stage for what we hope 1984 will hring."

Strong advance for Smit in full year

By Our Amsterdam Correspondent

SMIT INTERNATIONAL, the Dutch dredging and offshnre engineering group, recorded another good year in 1981-82. Earnings douhled to Fl 44m ($18m) and sales rose from Fl 587m to Fl 680m. The group's operating results rose from Fl 45m to Fl 73m.

Management warns that the year beginning in September may see a decrease in net profits, hut does not say where the dangers lie. Last year the deep-sea salvage and offshore sectors did especially well, while the harbour, transport and general activities divisino fell back.

In 1981–82 Fl 123m was invested, against Fl 78m in the previous 12 months.

● Hoogovens, the Dutch steel group, has confirmed that it is to receive Fl 1.3bn in state aid before the end of 1985. The money – Fl 300m more than was requested last year after Hoogoven's split with Hoesch of West Germany – will belp finance a Fl 3bn restructuring programme aimed at restoring profitahility.

Moratorium on RSV debt

By Our Amsterdam Correspondent

RSV, the Dutch Shipbuilding Group whicb last week was denied its request for Fl 300m ($111m) of Government aid, was yesterday granted a moratorium on repayment of its debts to protect it from creditors during restructuring. Only a handful of RSV's 117 registered companies are to receive further state aid, and some 6,000 workers face dismissal.

Since 1977, the group, which is 46 per cent state-owned, has received more than Fl 2bn in assistance from successive governments.

BANKS AND SECURITIES HOUSES IN DISPUTE

Japan reviews money market rules

BY YOKO SHIBATA IN TOKYO

JAPAN'S Finance Ministry seems likely to announce plans to open up the domestic market for the sale of foreign issued commercial paper (CP) and Certificates of Deposit (CDs).

The vexed question of whether or not securities houses will be allowed to handle the foreign exchange business involved in dealing in such CP and CDs remains, however, a matter of a bitter dispute with the banks.

Foreign issued CP and CDs were originally to have been sold on the domestic market in April 1982 at the same time as the new banking and securities sales laws came into effect.

However, shortly before the April opening up date the ministry, faced with a weakening yen on the international currency markets, decided to postpone the matter. Sales of zero-coupon bonds were suspended at around the same time for similar reasons.

At the time the ministry, however, put the blame for the delay on the securities houses, saying that they had failed to agree between themselves on rules for handling the CP and CDs on the home market.

Commercial paper combines features of both securities and short-term finance. Allowing securities houses to handle the foreign issued CP and CDs would mean giving them access to the short-term capital market, traditionally the domain of banks.

Securities houses, who clearly wish to enter the short-term capital market through the CP door, have consistently pressed for the introduction onto the domestic market of CP and CDs issued abroad by the overseas subsidiaries of Japanese companies and banks, as well as those issued by foreign concerns.

The banks argue that the introduction of CP issued by Japanese corporations' overseas subsidiaries in the domestic market is almost equivalent to allowing the parent company to raise funds through a CP issue on the domestic market. This might then lead to the establishment of a domestic CP market, which the securities houses have been seeking for some time.

CP issues by Japanese corporations in the domestic market continue to be blocked by the ruling that unsecured capital notes, such as CP, would violate the principle established since the 1929 Wall Street Crash that all capital note issues should be backed by bank guarantees.

The banks are especially concerned at the possible shift of corporation funds to overseas CP and CDs and away from current term-deposits, Gensaki (bonds with repurchase agreements) and foreign currency denominated deposits.

Under the current system, securities houses have to trade in foreign issued CP and CDs through foreign exchange banks. This not only takes a full day, but also involves paying foreign exchange commissions. Hoping to get on an equal footing with banks on sales of foreign issued CP and CDs, the securities houses are eagerly seeking for approval to handle foreign exchange business. The banks are fiercely opposing this, claiming it would infringe the Foreign Exchange Law.

According to guidelines prepared by the Ministry sales of foreign issued CP and CDs are to be restricted to foreign currency denominated issues; the sales of CD will be restricted to those issued by banks ranking within the world's top 150; and sales of foreign issued CP will be restricted to those by corporations rated A plus one or A by Standard and Poor's or P by Moody. The minimum unit of CD available will be Y500m and the minimum unit for CP will be Y200m with the maturity within six months for CDs and 270 days for CP. The ministry wants to postpone domestic sales of foreign issued CP by Japanese companies' overseas subsidiaries, or sales of foreign issued CDs by Japanese banks' overseas subsidiaries or branches.

In view of the current favourable trends in Japan's long term capital balance and the yen's stable upward movement there appears to be no substantial reason to stop the introduction of foreign issued CP and CDs into Japan. The ban on sales of zero-coupon bonds was removed at the beginning of this month.

The finance Ministry is still deep in discussions with the securities houses, the banks and the international finance bureaux.

There is, however, optimism in the securities houses that sales of foreign issued CP and CDs will be liberalised as of April 1, if for no other reason than to balance the advantage gained by the banks when they were allowed to commence "over the counter" dealing in government bonds.

Rothmans Australia ahead despite shrinking demand

BY MICHAEL THOMPSON-NOEL IN SYDNEY

ROTHMANS of Pall Mall (Australia) achieved a 38 per cent improvement in pre-tax profits for the half-year to December, from A$20.1m to A$27.6m (US$26.6m). Net profits advanced from A$10.7m to A$14.9m. This follows last week's news of a 29 per cent rise in half-year profits at Philip Morris (Australia).

Rothmans' sales were A$328m, against A$276m previously, despite a significant contraction in the total market, caused partly by higher excise duties.

Adjusting for last October's one-for-five scrip issue, earnings per share in the half year improved from 66 cents to 92 cents, while the interim dividend of 22.5 cents a share, compares with 20 cents previously, is an effective increase of 33 per cent.

"Cost increases continued, although the company maintained firm control over all categories of expenditure," the directors said. Interest charges were marginally lower at A$1.3m.

● BRAMBLES INDUSTRIES, the Australian transport, security, and equipment rentals group, lifted net profits for the half year to December from A$13.5m to A$15.2m (US$14.7m) and has increased the interim dividend from 7 cents to 7.5 cents a share. Sales advanced by 18 per cent to A$237m.

Interest charges for the half year were 66 per cent higher, at A$6.2m, while depreciation charges were up 23 per cent to A$18m, against A$14.6m.

Earnings improved from 15.2 cents a share to 17.1 cents.

Hong Kong business ethics criticised

By Robert Cottrell in Hong Kong

MR ROBERT FELL, the Hong Kong Securities Commissioner, yesterday launched a sharp attack on short-comings in local business ethics. His targets included slipshod auditing; irresponsible directors: and individuals using public companies "as if they were their own property."

The Commissioner did not name specific companies but his speech reflected widespread concern in Hong Kong about local Deposit-Taking Companies (DTCs), of which six registrations have been revoked in recent weeks; commodity traders, 11 registrations of which were revoked in the second half of last year; and over-extended property companies hit by liquidity problems in the wake of the property market collapse.

Mr Fell said that Hong Kong's economy was "resilient enough to take the strain of the financial misdeeds and mismanagement which have come to light however gross these prove to be."

Auditors, he said, were an area of concern. "Audit of companies amply illustrates the old adage that you get what you pay for." In many of the delinquent commodity trading cases, auditors had failed in their duties

Mr Fell criticised boards of directors which subjected themselves to the "whim" of a powerful chief executive rather than uphold their responsibility to shareholders.

Bank of East Asia increases dividend

By Our Hong Kong Correspondent

BANK OF EAST ASIA has opened the reporting season for banks in Hong Kong with an 11 per cent rise in net profits to HK$135m (U.S.$20.7m) for the year to December 1982.

A final dividend of 40 cents makes 65 cents for the year, against the previous year's 60 cents, adjusted for rights and bonus issues.

Nasionale Pers wins Afrikaans language newspaper battle

BY J. D. F. JONES IN JOHANNESBURG

A LONG and bitter battle between the two companies which control the Afrikaans language press has ended in a considerable victory for Nasionale Pers, which is based in the Cape and has supported the reformist policies of Mr P. W. Botha, the Prime Minister.

It has been announced that Perskor—the Transvaal-based rival of Nasionale Pers—is to close its two Pretoria newspapers and to transfer its flagship, "Die Transvaler," from Johannesburg to Pretoria. The "Transvaler" is the official organ of the Transvaal National Party and its retreat to Pretoria can only be interpreted as the winning of the war by the Cape group, which in 1974 launched a new Afrikaans morning paper, "Beeld," into the Perskor-controlled Transvaal.

Beeld has been a great success and has won a circulation of about 75,000, which is larger than the combined sale of the Transvaler and "Die Vaderland," Perskor's afternoon newspaper in Johannesburg (which is to carry on). "Beeld" is the sister of "Die Burger," the respected and influential Nasionale Pers morning paper in Cape Town.

The Transvaal, although the country's richest market, has for years been oversupplied with newspapers, and the rationalisation therefore makes commercial sense. But the move is likely to have political implications because the Perskor papers have been noticeably more sympathetic to the right-wingers who broke away from Mr Botha's ruling National Party government last year

The commercial price for the deal is that the two groups will drop their bitter dispute in which Nasionale Pers has been claiming R12m ($10.6m) against Perskor in the courts for compensation arising out of Perskor's alleged fiddling of circulation statistics in 1980.

It is generally agreed that this deal only became possible after the death last August of Dr Marius Jooste, the Afrikaans press baron who ran Perskor as his personal fief.

The English-language press in the Transvaal is also arguably too thick on the ground, with the "Star," the "Rand Daily Mail," the (right-wing) "Citizen" and the "Pretoria News" competing for white—and an increasing number of black—readers.

Sharp rise in assets for Siam Commercial Bank

BY JONATHAN SHARP IN BANGKOK

THE Siam Commercial Bank, one of the top four banks in Thailand, achieved a net profit of 253.5m baht ($11m) in 1982, a 4.8 per cent increase over 1981.

While the profit margin was modest, total assets grew by 26.1 per cent in the year to nearly 33bn baht and deposits rose by 39.1 per cent to 23.2bn baht. The volume of outstanding loans increased by 34.7 per cent to 22bn baht.

The bank has a total of 139 branches, including one in Los Angeles.

Thai banking expanded by about 20 per cent a year throughout the 1970s, with the most growth achieved by the Bangkok Bank, which started after World War Two and is now the largest private bank in south-east Asia.

● SIAM CEMENT, one of Thailand's largest private corporations, is looking for foreign partners for a project to build a petrochemical complex.

The company's preliminary plans involve building a plant to produce about 80,000 tonnes of high density polyethylene annually, with production starting in 1990.

Siam Cement has already sounded out Japanese and U.S. companies on possible co-operation, but wants to look elsewhere before submitting plans for the project to the Thai Government in March.

In choosing a partner, Siam Cement is stressing the need for technical expertise and availability of investments funds, said the company.

Saudi acts to curb leakage of riyal

THE SAUDI ARABIAN Monetary Agency (SAMA) has issued a decree tightening restrictions on offshore Saudi riyal activity according to bankers, Reuters reports from Bahrain.

SAMA told Saudi banks that without its permission they may not invite foreign banks to take part in riyal syndications being arranged outside the kingdom or take part in foreign currency transactions for non-residents.

The decree backs up earlier attempts to control offshore riyal business and would make facilities arranged in Bahrain, the main offshore riyal centre, more expensive. It was still too early to assess the potential impact, said the bankers.

According to economists the decree reinforces a directive of May 1977 requiring approval before syndications of new offshore riyal offerings.

SAMA is reportedly worried about the impact on the kingdom's economy of losing control over that part of the money supply traded offshore.

هكذا من الأصل

INTL. COMPANIES & FINANCE

China thrusts itself into the international money arena

BY TONY WALKER IN PEKING

WHILE MANY countries are deep in recession with their foreign exchange reserves fast diminishing, cash-rich China is building a fat bank in a spread of currencies.

China was in 1981 a $500m net creditor to the world, at the monetary level. It had been much worse off than that shortly before. Now net foreign exchange holdings are between $6bn and $7bn.

China has in the space of a year or two emerged as a substantial factor in the currency markets of Europe and Asia as a result of a favourable movement in its balance of trade, as is indicated by its growing commercial activities.

A mixture of prudence and circumstance has given China *one of the lowest debt service* ratios among developing countries. Required service payments on China's gross debt are thought to have amounted to about 5 per cent of export earnings at the end of 1982.

China reported in December that at the end of the third quarter of 1982, it was holding $9.2bn in foreign exchange reserves. Those holdings almost certainly exceeded $10bn by the end of the year. The Chinese foreign debt to be set against this is thought to amount to about $4bn.

What then is China doing with all its money? Most of it, according to Western bankers in Peking, is placed on short- to medium-term deposit in world money markets, notably in Euro-currency markets where the Bank of China's London branch has had long experience.

China is also getting into the syndicated loan business. Over the past several years, the Bank of China has taken the lead or has acted as co-manager in a number of syndications in Europe where it has been involved in loans to the Danish Export-Import Bank and the Italian State Railway, to name two examples.

At the same time, China is using its reserves to refinance some of its outstanding debts, *disturbingly to* Western bankers who are now finding the Bank of China has emerged as a robust competitor in development financing for enterprises in China.

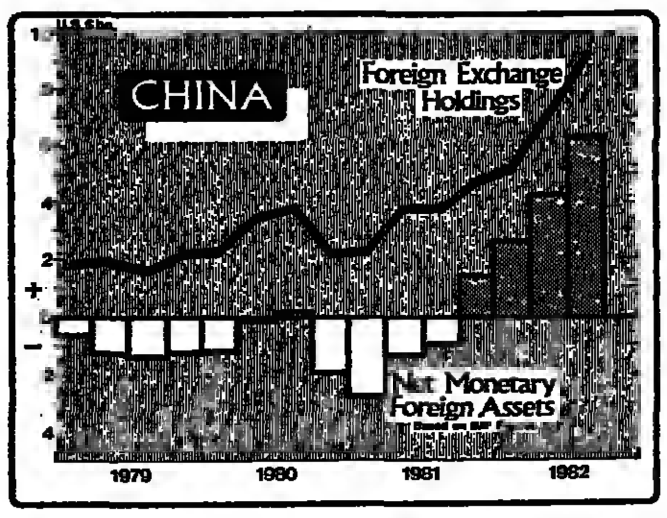
Last year, the Bank of China took over a loan of $35.2m for a big hotel project in Nanjing from the Hongkong and Shanghai Banking Corporation.

Western bankers expect the Bank of China to shift more cash from its placement in financial institutions in the West to fund development projects in China itself—at preferential rates of interest to Chinese enterprises.

Under the present corporate tax law, foreign banks are obliged to pay a 20 per cent witholding tax on profits remitted from China, an encumbrance that puts them at a severe disadvantage if they are to compete with the Bank of China, which is free of such strictures.

"We're up against unbeatable competition," says one Western banker, ruefully.

China is also proposing to lend to Western enterprises investing in China. One such case is that of Occidental Petroleum, which is a participant in a big coal-mining joint venture, with the



Graham Lever

China's international liquidity position has swung sharply in its favour on the back of a pronounced improvement in its balance of payments and against the background of the country's opening up to wider foreign business relationships. While China is both *paying off foreign debt and emerging as a lender in* the world's money markets, as well as a more active dealer in the foreign exchanges, it needs funds to finance its economic development

Chinese, at Pingshno, west of Peking.

Bank of China officials said late last year that they were considering an Occidental "request" for funds. The Chinese would, of course, be well aware of the funding requirements with which the American company was faced as a result of its recent take-over of Cities Service, the U.S. oil services and refineries group, for $4bn.

Western bankers see the growing range of the Bank of China's activities as an indication that it is seeking a more international role for itself in its functions as China's foreign exchange bank, as the people's republic opens further for business to the outside world.

In a further extension of its activities, the Bank of China announced recently that it planned to extend export credits to foreign buyers on a trial basis in order to promote China's exports.

According to an announcement made at the end of a national conference in Peking of Bank of China managers, the bank will make available from now until 1985 low-interest loans totalling $500m to "encourage exports of machinery and ships." a pilot scheme has been set to be implemented first in Peking and in the port cities of Tianjin, Shanghai and Dalian.

Bank directors also approved a 1983 work programme which envisages the Bank of China extending loans for the Pingshuo coal development, a proposed nuclear power station in Guangdong province, offshore oil programmes, energy development in south-west China and transportation and harbour construction.

According to figures given by directors to the conference, more than 60 per cent of the Bank of China's foreign exchange loans are being directed at preferential rates of interest between 8 per cent and 10 per cent to the technical transformation of small- and medium-size enterprises.

The ratio of lending is likely, however, to swing in favour of bigger projects as China embarks on the development of major energy-related schemes such as the Guangdong power station.

The Bank of China's decision to extend export credits to foreign buyers in another indication of the growing sophistication of China's dealings with the outside world and is also recognition on the Chinese part of measures needed to compete in highly competitive world markets.

China's *solid trade performance* in the three years from 1979 to 1981 has enabled the Chinese to convert a threatened foreign exchange deficit into a healthy surplus and has laid the basis for the Bank of China's entry into new fields of activity.

In the three years to 1981, China's exports grew at an average annual compound rate of 31.9 per cent. In 1981, exports of $22bn were 129 per cent greater than they had been, at $9.6bn, in 1978.

The official trade figures for 1982, just released, show exports as totalling U.S.$21.6bn, and imports at $17bn, to leave China the healthy trade surplus of about $4.6bn.

Western economic analysts in Peking say China is now well placed to increase foreign borrowings to secure funds for huge infrastructure projects, particularly in the energy field.

China could handle a debt service ratio of 15 to 20 per cent without much trouble on the basis of present growth in its foreign trade, they argue. China, on its past record, however, is likely to move cautiously to increase its foreign indebtedness.

Apart from its substantial foreign exchange holdings, China's gold reserves position is good. According to monetary statistics released in December, its reserves at the end of September 1982, were 12.67m troy ounces, valued at $476m at the national accounting level—and at some $6bn at the current free market price.

But this only tells part of the gold story. China holds very substantial quantities indeed of "unmonetized" gold which do not show up in any official statistics.

China, Western analysts say, may be reviewing its gold reserves policy in line with an apparent change in official attitudes to a build-up of stocks and inventories. Whereas, previously, China appeared unconcerned—rather boasted—about stockpiles of such commodities as steel, it is now questioning this approach.

Whichever way you look at it, China is positioning itself for the extensive foreign borrowing programme in which it will be obliged to engage if it is to achieve its targets in energy development and in port and rail construction—the weak sectors in the economy.

Hyman accepts Vantona offer to clinch merger

BY ANTHONY MORETON, TEXTILES CORRESPONDENT

A LAST-MINUTE acceptance by Mr Joe Hyman of the offer from Vantona for his 7 per cent stake in Carrington Viyella last night ended the long drawn-out row over the £16.4m deal which will create one of Britain's largest textile and garments concerns.

The acceptance took Vantona's holding in Carrington Viyella to 95.26 per cent and the offer became fully unconditional. Vantona had threatened to pull out of the deal unless it had acceptances in respect of 90 per cent of the Carrington equity by midnight last night.

Mr Hyman had been buying shares in the market over the past six or seven weeks and accumulated a holding which would have prevented Vantona from declaring the offer unconditional, since it had only managed to acquire some 88 per cent of the Carrington shares.

Mr Hyman said last night he was "happy that the future of the merged companies had been stabilised. This company was my child and I always wanted it to be independent."

Mr Hyman built up Viyella in the 1960s through a series of mergers but was deposed in a boardroom coup just before Christmas 1969 when ICI, the largest single shareholder in the company, forced a merger between Viyella and Carrington Dewhurst. ICI was also a major shareholder in Carrington and after the merger held 49 per cent of the Carrington Viyella equity.

Mr David Alliance, managing director of Vantona, who will be managing director of the merged Vantona-Viyella, said the new group had "a tremendous potential. Some fat has to be cut out but most areas fit in beautifully."

For a long time, he admitted, he doubted if the company would get the 90 per cent acceptances "but in the end, this week, it has worked out perfectly."

Mr Bill Fieldhouse, chairman of Carrington-Viyella, who will become executive deputy chairman of the merged concern, said: "I am most pleased the deal has been consummated. It is good for both companies and for the industry as a whole."

The merged group has a workforce of some 22,000 and early estimates were that this number would be reduced to around 20,000. The group will have sales of some £385m.

Ultramar forecasts £100m net earnings for 1982

BY OUR FINANCIAL STAFF

AT THE same time as announcing a £108m rights issue, Ultramar, the petroleum exploration and development group, is estimating that net profits for 1982 will be not less than £100m, compared with £90.7m previously.

Included in the profits – after tax and foreign exchange fluctuations – are amounts of £6.4m (£1.9m) in respect of provisions no longer required and £0.2m (£5.7m) profits on disposal of fixed assets and investments.

The directors intend to increase the final dividend from 8p to 9.5p net, raising the total payment to 15p (13p) per 25p share, at a cost, including ACT, of £23.1m (£20m).

Present uncertainties in the oil industry make forecasting profits for 1983 particularly difficult, the directors state, but they anticipate that total payments for 1983 on the enlarged capital, will be at least at tha same level as for 1982.

The rights issue will be on the basis of one for four of 27,000,322 new ordinary 25p shares, at a price of 400p per share. Gold Fields Mining & Industrial, a wholly-owned subsidiary of Consolidated Gold Fields, owns around 5.5 per cent of the Ultramar share capital and has agreed to subscribe in full for its entitlement. Accordingly these shares have not been underwritten.

The balance of the issue has been underwritten by Morgan Grenfell & Co. and the brokers to the issue are Cazenove & Co.

The directors say that despite the unfavourable economic climate, Ultramar had another successful year in 1982. The recession adversely affected profitability of the refining and marketing operations, but the Indonesian oil and gas operations had a good year

Further significant growth is expected to begin in 1984 when the capital projects on which the group is currently embarked should be completed.

Capital expenditures during the period 1982 to 1984, inclusive, are expected to amount to a total of about £700m. Although Ultramar has strengthened its financial position considerably over recent years and could finance these capital expenditures by loans and from its own resources, the directors consider that a further injection of equity funds is desirable to contribute to tha cost of the exploration programme and to the evaluation and, if warranted, development of its discoveries.

The directors explain that the issue will also strengthen the group's balance sheet by providing a more satisfactory ratio between equity and borrowed funds.

CIS makes further purchases

BY DAVID DODWELL

THE FOUR remaining operating companies in General Engineering (Radcliffe), which went into liquidation three years ago, have been sold to the privately-owned Commercial and Industrial Securities for an undisclosed sum.

Mr Alan Benzie, joint liquidator for General Engineering, said yesterday that the companies sold were Peatgrange, a holding company hived off from General Engineering soon after the liquidation, the Manchester-based manufacturing company General Engineering Radcliffe 1979, and subsidiaries in France, Italy and the U.S.

Commercial and Industrial bought the companies with effect from February 1. Two days ago, receivers for Caravans International, Britain's second largest caravan manufacturer, disclosed that the company's main operating businesses had been bought by Commercial and Industrial, also for an undisclosed sum. It first bought a factory from Caravans in May last year, for over £500,000.

Commercial and Industrial has two large shareholders – County Bank, the merchant banking arm of National Westminster, and Industrial and Commercial Finance Corporation, which is jointy owned by several UK banks.

Shortly before General Engineering called in the receiver in June 1979, an agreed £950,000 rescue bid by Senior Engineering collapsed. In the three years that have elapsed since liquidation, there is no guarantee that this reflects the sum paid by Commercial and Industrial.

TSL feels further decline in markets

By Our Financial Staff

AN EXPECTED improvement in second-half results has failed to materialise at TSL Thermal Syndicate, manufacturer of vitreous, fused magnesia and oxide ceramics, and there is no final dividend.

With the cautious optimism expressed in the interim statement overtaken by a further sharp decline in world markets, the group turned in a pre-tax loss of £637,425 for the year ended October 31, 1982, as against a profit of £508,626 previously.

When reporting a first-half loss of £264,000 (compared with a previous profit of £116,000) the directors had forecast that results for the second six months would show an improvement.

With the final dividend omitted, the interim of 1p net per 25p share compares with the previous year's total payments of 7p, which comprised an interim of 3p and a final of 4p.

Group sales for the year dropped from £14.07m to £12.31m. The directors report that the German operation has been re-structured and UK and U.S. operations reduced to meet lower demand.

There has been no increase in demand in the UK, but indications of increasing orders from abroad should mean a slow recovery in 1983, the directors state. However, with the end of the recession not yet in sight, they say it is too early to predict the shape of the recovery curve.

For the year 1981-82, there was a tax credit of £46,000, against a £7,000 charge last time. With dividends costing £72,000 (against £497,000) and extraordinary debits increasing from £35,000 to £281,000, the group was left with a transfer from general reserve of £944,000, compared with £30,000.

TSL and the Japanese company, Mitsubishi Metal Corporation (MMC), have reached agreement to establish a company in Japan. It is expected that the new company will be established in April 1983 with an issued share capital of Y200m ($1.18m) and while the name of the company and the location of the plant have yet to be decided, TSL and MMC will be equal partners.

This company will initially manufacture and sell fused quartz crucibles and flame fused synthetic silica. The crucibles will be used in the Czochralski process for growing semi-conductor grade silicon crystal, and the synthetic silica will have electronic applications such as photo masks.

BROADER TRADING BASE PAYS OFF

Securicor at record £11.4m

BY OUR FINANCIAL STAFF

BOTH SALES and pre-tax profits of Securicor Group showed a 22 per cent advance in the year ended September 24, 1982. Following the 12 per cent rise to £4.62m at midway, taxable results climbed from £9.32m to a record £11.41m for the 12 months, while total sales reached £237.65m, against £194.62m previously.

At the interim stage, the group said that the results were a reflection of the success and an illustration of the benefits derived from the policy of broadening its trading base, which had given added stability. Indications were that the pattern of trading in the first half would be repeated in the second period.

Security Services, in which Securicor holds 50.71 per cent of the equity capital, turned in pre-tax profits some 18.5 per cent higher at £9.43m (£7.96m) for the full year, on sales up almost 13 per cent from £182.28m to £205.71m. Half-time profits had risen 12 per cent to £3.87m (£3.45m).

■ SECURICOR GROUP
Security, Finance, Investments, property and hotels

Year to Sept 24	1982	1981
	£	£
Sales	237.65m	194.62m
Pre-tax profit	11.41m	9.32m
Tax	4.43m	3.26m
Attributable profit	4.98m	3.75m
Earnings per share	10.2p	9.8p
Dividend	1.3p	1.198

■ SECURITY SERVICES
Security, property, investments and finance

Year to Sept 24	1982	1981
	£	£
Sales	205.71m	182.28m
Pre-tax profit	9.43m	7.96m
Tax	3.59m	3.28m
Attributable profit	5.80m	4.67m
Earnings per share	12.5p	10.2p
Dividend	2.47p	2.25p

Securicor's full year pre-tax profits – which incorporate Security Services – were split between: – industrial security and parcels services – UK £6.31m (£4.93m) and overseas £2m (£1.8m); finance, investments and insurance £1.93m (£2.28m); and property, hotels and vehicles £1.16m (£0.32m).

The tax charge increased from £3.26m to £4.43m. UK tax was unchanged at £3.47m, overseas charge rose from £820,000 to £951,000 and there were also debits of £4,000 (£1.02m credits) for prior year adjustments.

After deducting minority interests of £2.9m, against £2.31m, net available profits cama through ahead from £3.75m to £4.08m. Stated earnings pec 25p abare advanced from an adjusted 9.8p to 10.2p and the ordinary dividend is effectively raised to 1.3p (adjusted 1.186p after scrip issue) with e final payment of 0.9p.

Ordinary dividends absorb £429,000 (£379,000) and with payments on the participating preference shares, costing £130,000 (£122,000), retained profits for the year were up from £3.24m to £3.52m.

Securicor's sales comprised £210.69m (£171.39m) in the UK and £26.96m (£23.23m) overseas.

Industrial security and parcels services accounted for £8.32m (£6.73m) of Security Services' profits, with property, investments and finance adding £1.11m (£1.23m). After tax of £3.59m (£3.28m) and minorities, net profits were £5.8m, compared with £4.67m.

Security Services is increasing its dividend from an equivalent 2.25p to 2.47p net with a final of 1.65p, costing £1.15m (£1.05m). Earnings per share improved from 10.2p to 12.5p.

Unlimited potential seen for Polly Peck

BY RAY MAUGHAN

SHAREHOLDERS IN Polly Peck attending the annual meeting in the group's new headquarters in East London, were suitably impressed yesterday when Mr Asil Nadir, the chairman, told them that "Polly Peck is on the verge of becoming a very large international concern."

As holders of the heaviest and fastest-growing shares on the London stock market, they hardly needed reminding that "Polly Peck is an unusual company."

After the formal proceedings Mr Nadir went on to say that he believed that the group has "unlimited trading potential."

Speaking of the mooted deal in the pharmaceuticals industry, Mr Nadir said that Polly Peck "is interested in several areas of potential growth and pharmaceuticals is one of them."

Areas identified so far are agriculture and related products, textiles and electronics. In electronics Mr Nadir said, the proposed deal with Thorn EMI to manufacture television sets and video equipment in Cyprus, Turkey and many Middle Eastern countries would create several thousand jobs in the UK and gennerate millions of pounds of much needed revenue from exports.

Mr Nadir stressed that "Polly Peck was comfortable that the profits it was generating in these areas can be remitted." He assured shareholders that the group would not enter those regions where any threat to remittances was likely to arise.

He attempted to put some of the group's targets into perspective. In the market for citrus fruit products, for example, he said that Polly Peck, after a detailed study, was aiming for an annual production target of 300,000 tonnes. The European market, he told shareholders, was worth 7m tonnes, or $3.3bn and the entire Turkish crop amounted to only 1m tonnes.

A crowded meeting heard that the group was bent on a distribution policy of two and a half times fully taxed earnings (on a notional basis) and that the "considerable task" of merging the two quoted satellites in Mr Nadir's orbit, Cornell Holdings and Wearwell, was "proceeding extremely smoothly."

"We said previously that the matter could be resolved early this year and that still stands," Mr Nadir promised. He said that the board would probably be strengthened at about the time of this merger

RESULTS IN BRIEF

■ ASSAM TRADING (HOLDINGS)
Plantation and property investment

Half-year to Sept 30	1982	1981
	£	£
Sales	2.79m	1.11m
Pre-tax profit	33,000*	56,000
Tax	13,000†	20,000
Attributable profit	20,000*	51,000
Earnings per share	– –	– –
Dividend	– –	– –

* Loss; † Credit

■ GENERAL CONSOLIDATED
Investment Trust

Year to Dec 31	1982	1981
	£	£
Pre-tax revenue	2.18m	1.97m
Tax	805,000	714,000
Dividend	7p	6.4p
NAV per share	188p	154.9p

■ D.A.D. PROPERTIES
Property investment

Year to Dec 31	1982	1981
	£	£
Sales	712,000	613,000
Pre-tax profit	519,000	488,000
Tax	241,000	185,000
Attributable profit	– –	– –
Earnings per share	1.9p	1.92p
Dividend	1.9p	1.8p

■ BENN BROTHERS
Publishing

Half-year to Dec 31	1982	1981
	£	£
Sales	8.05m	7.03m
Pre-tax profit	146,000	384,000
Tax	76,000	200,000
Attributable profit	70,000	184,000
Earnings per share	0.4p	2.1p
Dividend	1.3p	1.3p

■ LEY'S FOUNDRIES AND ENGINEERING
Engineering Group

Year to Sept 30	1982	1981
	£	£
Sales	25.35m	24.93m
Pre-tax profit*	2.39m	2.42m
Tax	27,000	49,000
Attributable Profit*	2.89m	2.54m
Earnings per share*	23.97p	24.48p
Dividend	– –	8.5p

* Loss

■ MOORSIDE
Investment trust

Year to Dec 31	1982	1981
	£	£
Pre-tax revenue	1.08m	1.08m
Tax	391,450	431,921
Dividend	3.5p	3.5p
NAV per share	84.1p	84.8p

■ MARTIN FORD
Ladies' wear retailer

Year to Nov 27	1982	1981
	£	£
Sales	6.94m	7.07m
Pre-tax profit	187,337	101,087
Tax	35,910	64,619†
Attributable profit	247,739	150,068
Earnings per share	0.97p	1.08p
Dividend	0.75p	0.65

† Credit

■ YEOMAN
Investment trust

Year to Dec 31	1982	1981
	£	£
Pre-tax revenue	1.38m	1.26m
Tax	488,459	428,986
Dividend	7.25p	6.75p
NAV per share	202.8p	180.2p

EEC CONSTITUTIONAL LAW

The travelling parliament

BY A. H. HERMANN, Legal Correspondent

TODAY the European Court will hand down its judgment* in the dispute between the Duchy of Luxembourg and the European parliament. The duchy asked the court to annul a parliamentary resolution of July 1981 which was intended to provide that the parliament should in future sit only in Strasbourg and not also in Luxembourg. That could lead to a transfer of the greater part of the parliament's 2,500-strong secretariat from Luxembourg to Brussels. It would not be at all surprising if the court followed the conclusions of Advocate General Federico Mancini who proposed that the resolution should be allowed to stand as long as it did not imply the transfer of staff from Luxembourg.

This is the first major opinion presented by Sig Mancini, who joined the court recently. He must be a happy man, having moved from the centre of the Italian judicial organisation, where advancement makes judges a preferred target of assassination squads, to the peaceful duchy where the only risk is that one's conclusions might be rejected by the court. This does not seem to be something which Sig Mancini should fear too much. His opinion reveals the right mixture of realism, legal talent and political sensitivity which predisposes him to membership of a constitutional court.

Indeed, his opinion, if followed by the court, will do much to enhance the constitutional role of the Luxembourg judges. Confronted with tha parliament's defence that the court has no competence to review parliamentary Acts which concern all three communities—the EEC and the two concerning coal and steel (ECSC) and atomic energy (EAEC)—Sig Mancini deduced the opposite conclusion: exactly because the question of the seat of the parliament inextricably concerns all three communities, the powers given to the European Court in the ECSC treaty extend over the entire issue.

The ECSC Treaty provides in Article 38:

"The court may, on application by a Member State or the High Authority (now succeeded by the Commission), declare an act of the Assembly or the Council to be void. . . . The only grounds for such application shall be lack of competence or infringement of an essential procedural requirement."

This provision empowering the court to review parliamentary Acts — an essential characteristic of a constitutional court — has not been repeated in the two later treaties establishing the EEC and EAEC. If the court follows Sig Mancini's reasoning, it will assume the power to review all resolutions of the European parliament which can be said also to affect the Coal and Steel Community. As the dismissal of the Commission, the ultimate sanction available to the parliament, falls into this category, such extension of the court's powers may become of great importance in the near future.

★

The various seats of the European institutions are to be determined, according to all three treaties, by agreements among the member-states. Each of these would have liked to have a share of the action and, finding that the number of institutions was not divisible by six (or later by nine), failed to reach a definitive agreement. Instead, they proceeded by a series of semi-agreements on the "provisional location of the institutions."

The Strasbourg location of the parliament received more formal confirmation in an agreement concluded between the member governments on April 6 1965. At the same time it was confirmed that "tha general secretariat of tha Assembly and its services would remain in Luxembourg."

The geographical separation of the parliament from its secretariat has required the regular migration of a substantial part of the secretariat from Luxembourg to Strasbourg whenever the parliament is in session. The awkward and costly move of the convoys carrying officials, their filing cabinets and typewriters was found more or less acceptable for longer sessions but highly inconvenient when the sessions were very short. In 1967 tha parliament held a one-day session in Luxembourg for tha first time. From then on, short sessions were often held in Luxembourg, so that in 1971, out of 11 sessions, five were not held in Strasbourg.

★

This creeping transfer of the seat of parliament from Strasbourg to Luxembourg was welcomed by the Duchy of Luxembourg, but disliked by France. In the period 1965-80 Luxembourg constructed threa splendid buildings for the parliament — a 22-storey tower block; a six-storey square palace, and another building with office space on six storeys, topped by a chamber for plenary sittings of the parliament. At intervals, France protested — first in 1971 and again in 1973 and 1978. The French case was fortified when, in 1979, direct elections increased tha number and self-confidence of the European deputies.

As a result the European parliament adopted on November 20 1980 a resolution which is clear and specific in its preamble, but rather cagey in its operative part. The preamble points out that it is the right and duty of the member governments to agree on the seat of the parliament and that they have not done so: that the dispersion of the parliament's activities to Strasbourg, Brussels and Luxembourg involves an enormous and growing burden on the budget which is increasingly difficult to explain or justify to taxpayers; that the morale and efficiency of the parliament's staff suffer; and that the parliament should have an identifiable building to capture the imagination of the electorate.

Though tha preamble states that the parliament has already asserted its right to meet and work where it chooses, the operative part of the resolution does not deviate from the provisional agreements of the member governments: the parliament has decided to have a single meeting place and that its should be in Strasbourg. Committees and political groups should, as a rule, continue to meet in Brussels. In fact, the parliament has had no plenary sessions in Luxembourg for the past year or so.

The crux of the matter is in the final part of the resolution, which calls on the president and the enlarged bureau to review the operation of the secretariat so as to avoid the need for a substantial number of staff to travel constantly between Strasbourg and Luxembourg. The possibility of improved transport links and advanced means of telecommunications is specifically mentioned, but there is not a word about transfer of staff from Luxembourg. Yet this is understood by everybody concerned to be the main issue.

Sig. Mancini's conclusions, if adopted by tha court, would prevent such a transfer. The confirmation of Strasbourg as the main seat of the parliament should not exclude occasional sittings in Luxembourg, and the committees and working parties would continue cheerfully in Brussels, in reassuring proximity to the Commission, with support staff somewhat increased but not so much as to alter the overall balance. Sig Mancini is a wise man: *ce n'est que le provisoire que dure*, which may be freely translated as "we'll muddle through."

*Case 230/81. Opinion of Advocate General Federico Mancini, December 7 1982, unreported.

UK COMPANY NEWS

Courtaulds to boost carbon fibres output

BY RHYS DAVID

COURTAULDS, the chemicals group is planning to increase its output of carbon fibres by some 70 per cent in order to meet growing demand for the material – used to make very lightweight, high-strength components – from the aerospace industry.

The UK company, one of the pioneers of carbon fibre development, already accounts for 90 per cent of European output of the material, demand for which has been growing on average at more than 30 per cent over recent years.

In world terms, Courtaulds accounts for 13 per cent of total sales, a figure it expects to increase to more than 15 per cent when its £3m new facilities come on stream at Coventry in the autumn.

The development, work on which has already started, will raise the company's capacity from the present 200 tonnes per year – regarded as a minimum break-even level – to 350 tonnes, a figure at which Courtaulds is confident it can begin to make profits in carbon fibre for the first time in nearly 15 years of nursing the product. Some 15 per cent of the total cost of the scheme is being met by a government grant.

As well as enabling it to go on meeting demands from its aircraft industry customers, the new capacity will, according to Mr Derek Twogood, chief executive of Courtaulds carbon fibre division, also enable Courtaulds to develop further the range of specialities which currently come from its five existing lines.

It will also make possible an assault on the U.S., where a number of major customers, are currently sampling materials. The UK group seems likely to make direct investment in the U.S. its next major step.

Apart from Courtaulds, three other groups dominate world production, and all are engaged in expanding capacity. Toray of Japan, with its American partner Union Carbide, has an estimated 40 per cent of world sales. Toho, also of Japan, and Celanese of the U.S., jointly have 20 per cent and Hercules, which operates under a Courtaulds licence in the U.S., has 18 per cent.

Two major new developments are currently projected in France – by Hercules in association with Pechiney Eugine Kuhlmann and by Elf Aquitaine and Toray – but neither of these is likely to be in production before next year. It is partly to counter the competitive threat posed by these new facilities and to safeguard its positioo as the leading supplier to the European aerospace industry that Courtaulds has decided to go ahead with its expansion.

In aerospace the attraction of carbon fibre based components is weight and energy saving. As a result, carbon fibre composite materials have begum to replace some metal components and sections, particularly in military aircraft.

Demand for the material, which has also found applications in a variety of sports goods such as tennis rackets, ski poles, golf clubs and fishing rods, has grown dramatically in recent years. The world market stood at 730 tonnes in 1980, rising to 1,751 tonnes last year. It is projected to reach 3,300 tonnes in 1985, Courtaulds says. Of this, aerospace is expected to account for just under half, sports goods 25 per cent with other uses such as engineering and the motor industry absorbing the remainder. The U.S. accounts for two-thirds of demand with the rest divided between the Far East and Europe.

LONDON RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renun. date	1982/3 High	1982/3 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P.E. Ratio
§106	F.P.	13/1	222	140	✠Baltic Leasing 5p	222	+12	b2.6	3.5	1.8	11.5
‖	F.P.	—	17½	12	✠Booth (Charles) 5p	17½	+1	—	—	—	—
§100	F.P.	22/4	105	100	Br. Kidney Pat. As.	105	......	—	—	—	—
§74	F.P.	21/1	158	103	✠Canvermoor	145	−1	b3.54	2.0	3.6	16.5
§17	F.P.	21/1	35	24	✠Inn Leisure 5p	31	−5	ud.42	3.7	1.9	15.5
§130	F.P.	14/1	190	156	✠Memory Comp(t)10p	187	+4	bQ28.9%	5.8	1.3	28.4
§190	F.P.	4/3	388	330	✠Microgon	330	−5	b4.0	2.5	1.7	27.2
§155	F.P.	7/1	256	200	✠Munford & White	218	−2	b2.6	2.4	1.7	34.5
§93	F.P.	4/2	198	145	✠Resource Tech. 10p	169	+2	—	—	—	32.5
120	F.P.	—	125	105	✠Swindon Priv Hos £1	105	......	—	—	—	—
§10½	F.P.	—	76	16	✠Tops Estates 10p	64	......	—	—	—	—
§150	F.P.	18/2	340	265	✠WightCollinsR.510p	277	......	bd2.75	3.3	1.4	50.9
—	F.P.	3/3	25	22	Yorks & Lancs. W'rrnts	22	......	—	—	—	—

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1982/3 High	1982/3 Low	Stock	Closing price £	+ or −
¶¶	F.P.	—	90	88	Anglo-Nordic 10% Cnv. Uns. Ln. 1999	89	......
97.504	£25	4/3	29½	18¾	BOC 12¼% Uns. Ln. 2012-17	18½	......
99.431	£20	10/4	21⅛	12	Birmingham 11½% Red. 2012	12¾	−⅛
¶	£10	24/3	11¼	11	East Surrey Water 7% Red. Pref. 1988	11	......
¶¶	F.P.	—	130	86	European Inv. Bk. 11% Ln. 2002	87¼	......
—	..	—	100	99	Nationwide Bdg. Soc. 11⅞% Bds. 25/1/84	100	+⅛
—	—	—	100	100	Do. 11⅞% Bds. 15/2/84	100⅛	+
497.174	£25	6/5	24½	22	Pearson (S) 13% Uns. Ln. 2007	24½	+¼
96.55	£25	8/7	25¾	23½	Sweden 13¾% Ln. Stk. 2010	25¼	......
¶¶	F.P.	16/2	90	85	Tramscont. 9% Cnv.Ret.Uns.Ln.Nts.1995	88	......

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ●	Latest Renunc. date ■	1982/3 High	1982/3 Low	Stock	Closing price	+ or −
250	Nil	25/2	28/4	32pm	23pm	AGB Research 10p	39pm	+1
26	F.P.	28/1	18/2	370	94	Arlen Elec.	363	−1
90	F.P.	28/1	18/2	122	108	Beltway	122	+1
50	F.P.	8/2	9/3	55	46	Cluff Oil 'B'	45	......
90	Nil	21/6	7/4	54pm	40pm	Grosvenor Group	41pm	+1
60	F.P.	14/1	11/2	78	65	ICL	75	+1
46	Nil	14/2	11/3	14pm	5pm	LCP	14pm	......
27	Nil	21/7	7/4	5½pm	5pm	Mount Charlotte 10p	5pm	......
95	F.P.	7/2	21/3	120	106	NSS News 10p	120	......
58	F.P.	3/4	29/4	68	61	Stakis 10p	66	......
470	F.P.	11/1	11/2	617	523	Wolseley-Hughes	617	+7

Renunciation date usually last day for dealing free of stamp duty. Fr French France. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. H Dividend and yield based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. ⊕ Figures or report awaited. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ✠ With warrants. †† Dealings under special Rule. ✠ Unlisted Securities Market. ‡‡ London Listing. ‡ Effective issue price after scrip. † Formerly dealt in under special rule.

Benn paid £119,000 to dismissed chairman

BY CHARLES BATCHELOR

BENN BROTHERS, publisher, of the Blue Guides travel series, paid its former chairman Mr Timothy Benn £118,000 compensation, following his dismissal in December.

Mr Benn, 46, a great-grandson of the company's founder, stepped down after less than two years as chairman after policy differences and declared board dissatisfaction with his style of leadership.

He still had four years of his contract to run at the time of his resignation, and earned £30,000 in the year ended last June. This made him the highest-paid director.

Mr Anthony Fisher, a director, said the compensation was "a figure agreed between our solicitors and his as being appropriate."

Operating profit fell 27 per cent in the half-year ended December 31 1982 as margins remained under pressure. The board hopes the shortfall will be made good in the second half.

On higher sales of £8.05m, compared with £7.03m, operating profit fell to £389,000 from £537,000.

Pre-tax profit fell to £148,000 from £384,000 including income from non-publishing activities of £25,000 (£30,000) but after associated companies' losses of £24,000 (nil), re-location and redundancy costs of £125,000 (£183,000) and compensation paid to Mr Benn of £119,000 (nil).

The board says that investment is continuing in new activities and Benn Electronics Publications is further developing its range of titles. The acquisition in July 1982 of Microcomputer Printout has taken the group into the fast-growing micro-computer market.

Benn Publications has maintained its share of reduced advertising budgets in markets which continue to be volatile, the directors say.

Tolleys series of annual tax publications and their newsletters have performed well and the scaled-down Ernest Benn book publishing business continues to trade profitably.

Farm Holiday Guides has a further opportunity for growth following the acqusition of the Herald Holiday Handbooks series of eight holiday guides last month.

The interim dividend is being maintained at 1.3p. Last year's total payment was 4.2p. After paying £42,000 (same) preference dividends attributable profits fell to £28,000 from £142,000.

Tax for the half year took £76,000 (£200,000). Earnings per 25p share fell to 0.4p from 2.1p.

The shares fell 2p to 101p.

Expansion plan for Royal Bank of Scotland

By William Hall, Banking Correspondent

THE ROYAL Bank of Scotland is relaunching National Commercial & Glyn's, a semi-dormant money market operation, to spearhead its move into the merchant banking arena in Scotland. This has been dominated by the British Linen Bank (a subsidiary of the Bank of Scotland), Noble Grossart and subsidiaries of the English clearing banks.

The Royal Bank will inject its leasing business, its corporate finance divisioo and Royal Bank Development Ltd into National Commercial & Glyn's.

The primary objective of the new group is to develop, diversify and expand the range and scope of the more sophisticated financial services hitherto provided by the bank's corporate finance division.

National Commercial & Glyn's intends to become more active in money market operations and hopes that over the longer term it will be able to achieve the status of a fully recognised bank.

COMPANY NOTICES

TATE & LYLE PLC

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the eightieth Annual General Meeting of Tate & Lyle Public Limited Company will be held at the Europa Hotel, Duke Street, Grosvenor Square, London W1, on Wednesday, the ninth day of March 1983, at eleven-thirty a.m. for the following purposes.

1 To receive the Company's financial statements for the period ended 25th September 1982 together with the reports of the directors and auditors thereon and to declare a final dividend on the ordinary stock of the Company.

2 To elect directors.

3 To re-appoint Touche Ross & Co. as auditors and to authorise the directors to fix their remuneration.

4 As special business to consider and if thought fit to pass the following resolution as a Special Resolution.—That

(A) The directors be and are hereby generally authorised in accordance with Section 14 of the Companies Act 1980 to exercise all the powers of the Company to allot relevant securities within the terms of the restrictions and provisions following, namely:—
(i) this authority shall (unless previously revoked or renewed) expire at the Annual General Meeting next following the date of the passing of this resolution.
(ii) this authority shall be limited to the allotment of relevant securities up to the aggregate nominal amount of £18,033,548.

(B) Equity securities allotted wholly for cash may pursuant to the authority given in (A) above only be allotted:—
(i) in connection with an offer of such securities by way of rights to the holders of ordinary stock on the register on a record date fixed by the directors in proportion (as nearly as may be) to such holders' then holdings of such stock but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements otherwise arising or legal or practical problems under the laws of, or the requirements of any recognised regulatory body in, any territory; or
(ii) (otherwise than under sub-paragraph (B) (i) above) up to the aggregate nominal amount of £3,750,000.

(C) The directors be and are hereby empowered to allot, pursuant to the said authority, equity securities as if Section 17(1) of the said Act did not apply to any such allotment provided that this power shall be limited to allotments of equity securities expressly authorised by or in accordance with the said authority.

(D) For the purposes of this resolution—
(i) the said authority and the said power shall allow and enable the directors to make an offer or agreement before the expiry of that authority and power which would or might require relevant securities or (as the case may be) equity securities to be allotted after such expiry; and
(ii) words and expressions defined in or for the purposes of Part II of the Companies Act 1980 shall bear the same meaning herein.

Any member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. A form of proxy may be obtained by application to the registered office of the Company. If you wish to appoint a proxy you will be required to send your Bearer Stock Warrants with the form of proxy and these will be returned to you after the Meeting and any adjournments thereof have been concluded.

By order of the board
J. E. WRIGHT, Secretary
Sugar Quay, Lower Thames Street,
London, EC3R 8DQ.
2nd February 1983

Copies of directors' service contracts (other than contracts expiring or determinable within one year by the Company without payment of compensation) will be open for inspection at the registered office of the Company during usual business hours from 2nd February 1983 until the date of the Annual General Meeting, and will be available for inspection at the place of the Annual General Meeting from 11.15 a.m. until the close of the Meeting.

Private Investment Company for Asia

(PICA) S.A.

US$20,000,000

Floating Rate Notes 1986

For the six months from 10th February, 1883, to 10th August, 1983, the Notes will carry an interest rate of 10¼% per annum. The interest payable on the relevant interest payment date, 10th August, 1983, against Coupon No. 9 will be US$257.67 per US$5,000 Note.

AGENT BANK: CHEMICAL BANK, LONDON

REGIE NATIONALE DES USINES RENAULT

7.25% 1972/1987

Loan of FF 200,000,000

We inform the bondholders that the March 15, 1983 repayment instalment of FF 20,000,000 - has been made by purchase on the market.
Amount outstanding FF 122,000,000 -
The Principal Paying Agent
SOCIETE GENERALE ALSACIENNE DE BANQUE
Succursale de Luxembourg
15 Av. Emile Reuter,
Luxembourg

U.S.$75,000,000 NEW BRUNSWICK ELECTRIC POWER COMMISSION

9¼% Bonds due 1.3.1979/94

Debentures covering U.S.$3,000,000 have been purchased on the market to satisfy the Purchase Fund due 1st March 1983.

CARLSBERG—TUBORG THE UNITED BREWERIES LIMITED

8¾% BONDS 1986

Morgan Grenfell & Co. Limited hereby gives notice that $751,000 nominal of the above Bonds have been purchased in part satisfaction of the redemption of $1,500,000 due 1st April 1983. In accordance with the Conditions of the Issue of the Bonds a drawing for the balance of $749,000 nominal Bonds will therefore take place and a list of the Bond numbers drawn will be subsequently published.

M. L. HOLDINGS LIMITED

ORDINARY SHARES OF 25p
7% REDEEMABLE PREFERENCE OF £1
NOTICE IS HEREBY GIVEN that the Transfer Books and Registers of Members will be CLOSED on 4th March, 1983 only.
By Order of the Board.
A. P. SMITH,
Secretary.

SUMITOMO FINANCE (ASIA) LIMITED

US$30,000,000 GUARANTEED FLOATING RATE NOTES 1988

For the six months from 9th February 1983 to 8th August 1983 the Notes will carry an interest rate of 9$\frac{15}{16}$ per cent per annum. The interest payable on the relevant interest payment date 9th August 1983 against Coupon No. 4 will be US$499.64 per US$10,000 Note.

AGENT BANK CHEMICAL BANK LONDON

BAXTER/TRAVENOL INTERNATIONAL CAPITAL CORPORATION

FIRST SERIES CONVERTIBLE PREFERRED STOCK
BEARER DEPOSITARY RECEIPTS
issued by
MORGAN GUARANTY TRUST CY. OF NEW YORK

A distribution of Dollar 0.53 per depositary share less any applicable taxes depending on the presentor's country of residence will be payable on and after January 21, 1983 upon presentation of coupon No. 23 at the office of one of the following depositaries:
— MORGAN GUARANTY TRUST CY. OF NEW YORK
— New York, 30, West Broadway
— London, 1 Angel Court
— Bruxelles, 35, avenue des Arts
— Paris, 14, Place Vendôme
— Frankfurt, 46, Mainzer Landstrasse
— KREDIETBANK S.A.
— Boulevard Royal, 43, Luxembourg

BOND DRAWINGS

THE GOVERNMENT OF PAPUA NEW GUINEA
U.S.$25,000,000 9½% Guaranteed Bonds 1983

NOTICE OF FINAL REDEMPTION

Bondholders are advised that U.S.$10,000,000 nominal Bonds outstanding are redeemable at par on 15th March, 1983 and that interest will cease to accrue on that date.

Bonds are payable at:–

S. G. WARBURG & CO. LTD.,
30, Gresham Street, London, EC2P 2EB,

or one of the other paying agents named on the Bonds.

The following Bonds previously drawn for redemption on the dates stated below have not as yet been presented for payment.

15th March, 1977
6894

15th March, 1978
7334 8333 14615

15th March, 1982

1002	1012	1018	1025	1030	1035	1041	1047
1052	1057	1070	1075	1080	1085	1091	1098
1103	1108	1113	1125	1130	1136	1142	1148
1153	1158	1164	1171	1181	1186	1193	1198
1966	1971	1976	1983	1988	1993	1998	2005
2011	2016	2021	2026	2033	2039	2044	2049
2055	2061	2124	2131	2136	2141	2147	2153
2159	2164	2169	2174	2182	2187	2192	2197
2203	2209	2214	2220	2226	2232	2237	2242
2247	2255	2260	2265	2366	2474	2938	2946
2951	2961	2967	2973	2979	2984	2989	2996
3001	3006	3018	3024	3029	3034	3040	3046
3052	3057	3062	3074	3079	3084	3091	3097
3102	3107	3112	3119	3130	3135	3141	3147
3152	3157	3164	3170	3175	3185	3192	3198
3203	3208	3214	3220	3225	3231	3236	3243
3248	3253	3258	3264	3272	3277	3282	3288
3294	3299	3305	3310	3317	3322	3327	3332
3339	3345	3350	3355	3361	3367	3372	3378
3383	3738	3743	3748	3753	3760	3765	3770
3782	3788	3793	3798	3803	3811	3816	3821
3828	3838	3843	3849	3855	3861	3866	3871
3878	3884	3894	3899	3905	3911	3916	3922
3927	3934	3939	3949	3956	3962	3967	3972
3978	3984	3989	3995	4008	4013	4018	4023
4030	4036	4041	4046	4052	4064	4069	4074
4081	4086	4091	4096	4103	4109	4119	4124
4131	4137	4142	4147	4153	4159	4164	4176
4182	4187	4192	4197	4204	4210	4215	4220
4232	4888	4896	4901	4906	4911	4917	4923
4928	4934	4939	4946	4951	4956	4961	4968
4974	4979	4884	6878	9095	9100	9135	9225
9250	9272	9278	9328	9673	9748	9754	8760
9765	8770	9775	9823	12402	17190	17195	17201
17206	17213	17218	17223	17228	17234	17727	17747
18152	18157	18182	18167	18174	18180	18185	18190
18196	18202	21075	24483	24490	24495	24500	24508
24512	24518	24523	24528	24533	24541	24546	24551
24558	24562	24568	24573	24579			

30, Gresham Street, London, EC2P 2EB. 10th February, 1983

Notice of Redemption

Beatrice Foods Overseas Finance N.V.

9% Guaranteed Debentures Due 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of February 15, 1970, under which the above-designated Debentures are issued, $1,000,000 aggregate principal amount of such Debentures of the following distinctive numbers has been drawn for redemption on March 15, 1983 (herein sometimes referred to as the redemption date):

$1,000 Coupon Debentures Bearing the Prefix Letter M

21	2737	4084	5200	5846	6443	7109	7643	8415	9191	9961	10907	11661	12415	12895	13621	14188
27	2762	4087	5201	5848	6453	7111	7653	8437	9193	9966	10914	11683	12418	12905	13622	14197
61	2769	4122	5203	5850	6455	7112	7696	8438	9195	9979	10917	11720	12421	12931	13625	14223
68	2849	4134	5206	5860	6458	7125	7724	8439	9199	9985	10932	11735	12441	12939	13627	14247
90	2875	4161	5213	5865	6459	7136	7744	8441	9225	10000	10937	11766	12453	12959	13629	14272
114	2888	4180	5216	5885	6463	7151	7745	8445	9239	10025	10969	11805	12461	12969	13642	14286
115	2896	4204	5218	5893	6466	7158	7761	8449	9241	10060	11002	11817	12464	12970	13659	14292
[illegible]																

The Debentures specified above are to be redeemed for the Sinking Fund at the Brokers Services Department—3th floor of Citibank, N.A., Trustee under the Indenture referred to above, No. 111 Wall Street, in the Borough of Manhattan, the City of New York, or (b) subject to any laws or regulations applicable thereto, at the main offices of Citibank, N.A. in Amsterdam, Frankfurt/Main, London (Citibank House), Milan, Paris and Brussels, and Banque Internationale à Luxembourg in Luxembourg. Payments at the offices referred to in (b) above will be made by a United States dollar check drawn on a bank in New York City or by a transfer to a United States dollar account maintained by the payee with a bank in New York on March 15, 1983, the date on which they shall become due and payable, at the redemption price of 100 percent of the principal amount thereof, together with accrued interest to the date fixed for redemption. On and after the redemption date, interest on the said Debentures will cease to accrue, and, upon presentation and surrender of such Debentures with all coupons appertaining thereto maturing after the date fixed for redemption, payment will be made at the said redemption price out of funds to be deposited with the Trustee. After the redemption date there will remain outstanding $1,000,000 principal amount of Debentures.

Coupons due March 15, 1983 should be detached and presented for payment in the usual manner.

Beatrice Foods Overseas Finance N.V.

By: CITIBANK, N.A., as Trustee

February 10, 1983

APPOINTMENTS

Group finance director at BSR

Mr Philip Robinson has joined the board of BSR as group finance director. He was finance director of TI Chesterfield, a subsidiary of Tube Investments group.

★

L. E. PRITCHITT AND CO., maker of milk products, has appointed Mr W. R. Lawes as managing director. He succeeds Mr R. W. Lawes who continues as chairman of the L. E. Pritchitt Group of Companies.

★

Mr Terry Baker, general sales manager, is leaving Philips Small Appliances to join PRS as commercial director.

★

Mr Ken Underhill, who has been export senior executive in the coal face equipment division of ANDERSON STRATHCLYDE for the last three years, has been appointed divisional export director.

★

Mr D. H. R. Cripps has been appointed joint managing director of FRIZZELL HICKS, a subsidiary of the Frizzell Group.

★

Mr Barry Conway, London manager of DOMINION SECURITIES AMES, has been appointed a main board director. Mr Chandos Gore Langton (London) and Mr Hans Joergen Queisser (Lausanne) have been appointed vice-presidents.

★

Mr David Gordon has been appointed managing director of the newly-formed SPEARHEAD business consultancy division.

★

Sir Henry Chilver, vice-chancellor of Cranfield Institute of Technology, has been appointed to the board of HILL SAMUEL GROUP.

★

THE BATH AND PORTLAND GROUP has made the following appointments to the boards of subsidiary companies: Mr B. A. Bodicoat, divisional accountant and company secretary, and Mr H. R. Evatt, chief engineer, to the board of KDG Instruments; Mr M. Fraser, northern regional manager, to the board of Kingston Minerals.

★

Mr Barrie Wright has been appointed managing director of BARTON ALUMINIUM FOUNDRIES, a part of the Barton Group. He joins Barton from Vowles Aluminium Foundry, part of Triplex Foundry Group, where he was managing director.

Mr Tony Dyson, senior vice-president, and Mr David Dobby, first vice-president of E. F. Hutton International Inc. have been appointed directors of E. F. HUTTON & CO (LONDON). They continue to be responsible for the Eurobond trading within the E. F. Hutton Group.

★

The NORWICH BREWERY has appointed Mr Roger Wilcher as personnel director. He joins from Letraset where he was personnel manager.

★

Mr O. N. Dawson has joined the board of ALEXANDERS DISCOUNT as a non-executive director.

★

Mr David Parker, managing director of Eurotech Electronics, Salisbury, is to be managing director, WOVEN ELECTRONICS established in December jointly by Eurotech and Woven Electronics, South Carolina, U.S.

★

Mr Howard Maylard and Mr Michael Casebourne have been appointed technical directors of CEMENTATION CONSTRUCTION and RDL CONTRACTING, UK civil engineering companies of the Trafalgar House Group. They are based in Darlington.

★

Mr Barry Hamill, LEISURE'S UK sales manager for the past year, has been promoted to sales and marketing director. He succeeds Mr Tony Burns who leaves to join Wednesbury Tube, another company within Glynwed International. In the newly-created position of sales and marketing director.

★

Mr C. S. Wates has been appointed a director of THE EQUITABLE LIFE ASSURANCE SOCIETY.

★

Mr Peter Yapp has been appointed to the board of IPC BUSINESS PRESS. He will continue as managing director of IPC Specialist and Professional Press and deputy chairman of IPC Exhibitions and IPC Conferences.

★

FLO-MECH has made two appointments to its main board. Mr Alan J. Elderkin has been appointed technical director of the company having been in an associated position for six years. Mr John A. Turner has been appointed commercial director of the company. Mr Turner was commercial manager.

ABBOTT'S PACKAGING, a member of the Macfarlane Group (Clansman), has made the following changes: Mrs Winifred Lane has retired as president and Mr Alec Hampton, who will be retiring on June 30, has relinquished his responsibilities as sales director to Mr Gordon Lane. Mr Hampton remains on the Abbott's board and, until his retirement, takes over as managing director of Controlled Packaging Services, a new member of the Macfarlane Group. Mr John Maxwell has been appointed director with responsibility for the future development of Abbott's packaging depots and Mr George Young becomes financial director, the position he held at Danish Montgomery and Sons, also of the Macfarlane Group.

★

Lord Carrington, the former Foreign Secretary, has been appointed chairman of THE GENERAL ELECTRIC COMPANY. He has succeeded Lord Nelson of Stafford, who continues as a director of GEC.

★

Mr Peter Connor has been appointed to the board of FLO-PAK (UK) as director responsible for manufacture and sales. He was commercial manager.

AFD HOLDINGS has appointed Mr Bryan Edwards managing director of its VG operation.

★

Mr K. S. Cliff, county treasurer of Hertfordshire County Council and a member of the NAPF Investment Protection Committee, has joined the Committee of Management of The Property Unit Trust for Public and General Superannuation Schemes (PUTPAGS), part of The Property Unit Trusts Group.

★

Mr John Cornish is to stand down shortly as chairman and managing director of MARDON PACKAGING INTERNATIONAL, a BAT Industries subsidiary. Mr Cornish will be succeeded on April 1 by Mr John Worlidge, a director of both Mardon and BAT Industries. Mr Worlidge is also deputy chairman of the BAT-owned Wiggins Teape Group, which he joined as a production trainee in 1951, and a director of British American Tobacco.

★

Mr Peddy Sandford-Johnson has joined Amrop International, an executive search consortium, as director and partner of CANNY BOWEN & ASSOCIATES, London.

★

Mr Alex Duma, previously an assistant director of BARCLAYS MERCHANT BANK, has been appointed a director. Mr Nigel Turner, vice president and deputy general manager of the London branch of The Northern Trust Co. of Chicago, has also been appointed a director of Barclays Merchant Bank, with effect from March 1.

★

Mr David Turner, deputy head of banking services division, has been appointed deputy treasurer of LLOYDS BANK.

★

Mr David Sanders has resigned as a director of JAMES WALKER GOLDSMITH AND SILVERSMITHS, and will be developing his interest in property.

★

New managing director at Halifax brewers SAMUEL WEBSTER & SONS is Mr Peter Humphrey, previously production and distribution director for Watney Combe Reid. He succeeds Mr John Jagger who has been appointed a group director on the main board of Watney Mann and Truman Brewers, a role in which he retains his links with the Halifax brewery as chairman.

★

Two directors have been appointed by FINDUS. Mr Douglas McKay becomes marketing director and Mr David Knight sales director. Mr McKay joins from the Nestle company in Canada. Mr Knight has been with Findus since the early sixties, latterly as its business projects manager. Mr Peter Trimingham has been made general manager, private label, and joins the executive.

United Glass transport company

UNITED DISTRIBUTION SERVICES, a newly-formed transport and warehousing company, has appointed the executives who will be responsible for merging the United Glass transport department and Carlisle-based Robson's Border Transport. Mr Herbert Nettleship becomes managing director and Mr George Flenley is made commercial director of the new company, while retaining managing directorship of Robson's. Mr Mike Carter has been appointed operations director.

★

Mr F. H. Wales has retired from the board of THE LONDON LIFE ASSOCIATION and Mr M. H. C. Pery fills the vacancy.

★

Mr Robert J. Woodbridge has been made a director of HOUSTON FINANCIAL SERVICES, London-based, licensed deposit takers.

★

At HEUGA UK Mr Martin Smith, formerly general manager of the overseas division, based at Aylesbury, becomes export director, and Mr Philip Doggett, financial controller, becomes finance director.

★

Mr Mike Mogridge has been appointed managing director of the automotive and auto refinishing division of AULT AND WIBORG PAINTS. He was marketing director.

★

Mr Edward Picken has been promoted to director, media from computer media sales manager at Memorex.

★

Following the merger on January 1 of Savilles and Reddish Chemical Company (both members of Brent Chemicals International Group) to form a new company, REDDISH SAVILLES, the following have been appointed: Mr W. J. Hipkins, formerly chairman of Reddish, becomes chairman; Mr S. C. Cutbbert, BCI Group chief executive, joins the board; Mr E. G. Cramp, formerly managing director of Savilles, becomes managing director; deputy managing director is Mr A. Hitt; Mr D. W. Hipkins is marketing development director; Mr V. A. Gregory becomes food and beverage chemical sales director; Mr A. J. D. Mathews is appointed sales director brewing services division; and Mr P. J. Hurst becomes finance director.

★

Mr Malcolm Wilcox, a director of PRIVAT banken since September 1, has been appointed deputy chairman. He succeeds Sir Norman Biggs who has retired.

★

Mr Ron Bounds, director of finance and overseas operations, May & Baker, has been elected president of the INSTITUTE OF CHARTERED SECRETARIES AND ADMINISTRATORS.

★

Mr Simon Baker, director of the Carlisle-based crane company Cowans Sheldon, a unit of NEI Cranes, has been appointed managing director of NEI CRANES.

★

FENNOSCANDIA, a new joint venture with partners from Finland and Sweden, begins operations in London later this year with a share capital of £10m. Its two equal partners are SKOP-bank of Finland and Sparbankernas Bank of Sweden, which act as the central banks for the savings banks in their respective countries. Mr Jan G. T. S. Ankarcrona, who is Swedish, has been appointed managing director of FennoScandia from early March. Since 1976 he has been deputy managing director of Nordic Bank PLC, one of the largest consortium banks. FennoScandia, which plans to start operations in September, will have its offices in one of the City's historical buildings, the Old Deanery, near St. Paul's Cathedral.

ALLMÄNNA SVENSKA ELEKTRISKA AKTIEBOLAGET - A.S.E.A.
US$ 30,000,000 8½% Bonds 1986

We hereby give notice that, in accordance with the terms of the above-mentioned loan, *Bonds for the principal amount of US$ 1,741,000 have been drawn on January 26, 1983 for* redemption at par on March 1, 1983.

Principal amount of Bonds purchased by the Company: US$ 1,259,000

The following Bonds have been drawn and may be presented to Kredietbank S.A. Luxembourgeoise, 43, Boulevard Royal, Luxembourg or to the other Paying Agents named on the Bonds:

00024	00059	00061	00076	00125	00125	00126	00151	00145	00156
00159	00173	00212	00224	00225	00227	00228	00235	00291	00298
00859	00923	00934	00956	00946	01009	01013	01144	01168	01202
01500	01502	01506	01511	01512	01530	01559	01561	01574	01692
01775	01779	01785	01786	01791	01951	01979	02096	02099	02109
02155	02167	02185	02222	02250	02255	02254	02258	02264	02269
P2276	02282	02293	P2297	P2299	02302	02304	02508	02318	02528
02532	02467	02306	02330	02611	02612	02649	02654	02661	02662
02665	02683	02686	02687	02690	02719	02721	03085	05100	05111
05112	05113	03116	05127	03150	03152	05521	03542	03466	03470
05488	03501	03505	05514	03816	03819	05842	03844	04054	04159
04175	04204	04212	04263	04554	04458	04464	04465	04466	04467
[illegible]									

20501	20508	20555	20558	20545	20554	20556	20566	20575	20678
20684	20751	20759	20740	20752	20754	20778	20787	20801	20802
20807	20821	20864	20865	20875	20890	20891.	20906	20910	20914
20916	20918	20959	20950	20958	20965	20975	20996	21001	21029
21050	21041	21042	21053	21055	21074	21073	21078	21082	21295
21300	21505	21510	21312	21516	21320	21551	21552	21558	21360
21562	21578	21580	21581	21591	21413	21420	21423	21427	21434
21655	21660	21665	21666	21655	21686	21688	21500	21505	21518
[illegible]									

Bonds surrendered for redemption should have attached all unmatured coupons appertaining thereto. Coupons due March 1, 1983 should be detached and collected in the usual manner.

Amount outstanding: US$ 12,000,000

Luxembourg, February 10, 1983

Principal Paying Agent

KREDIETBANK

S.A. LUXEMBOURGEOISE

CORRECTION

U.S. $50,000,000

CAISSE CENTRALE DE COOPERATION ECONOMIQUE

Floating rate notes due 1998

Unconditionally guaranteed by the Republic of France.

Please note that the notice which appeared in the February 9th 1983 edition of this paper erroneously gave the due date as 1988 instead of 1998. Other terms and conditions stated therein were correct.

CREDIT LYONNAIS (London Branch)
Agent Bank

BASE LENDING RATES

A.B.N. Bank	11 %	Gulf G'tee Trust Ltd.	12 %
Allied Irish Bank	11 %	■ Hambros Bank	11 %
Amro Bank	11 %	Hargrave Secs. Ltd.	11 %
Henry Ansbacher	11 %	Heritable & Gen. Trust	11 %
Arbuthnot Latham	11 %	■ Hill Samuel	§11 %
Armco Trust Ltd.	11 %	C. Hoare & Co.	†11 %
Associates Cap. Corp.	11 %	Hongkong & Shanghai	11 %
Banco de Bilbao	11 %	Kingsnorth Trust Ltd.	12 %
Bank Hapoalim BM	11 %	Knowsley & Co. Ltd.	11½ %
BCCI	11 %	Lloyds Bank	11 %
Bank of Ireland	11 %	Mallinhall Limited	11 %
Bank Leumi (UK) plc	11 %	Edward Manson & Co.	12 %
Bank of Cyprus	11 %	Midland Bank	11 %
Bank Street Sec. Ltd.	10½ %	■ Morgan Grenfell	11 %
Banque Belge Ltd.	11 %	National Westminster	11 %
Banque du Rhone	12 %	Norwich Gen. Tst.	11 %
Barclays Bank	11 %	P. S. Refson & Co.	11 %
Beneficial Trust Ltd.	12 %	Royal Trust Co. Canada	11 %
Bremar Holdings Ltd.	12 %	Roxburghe Guarantee	11½ %
Brit. Bank of Mid. East	11 %	Slavenburg's Bank	11 %
■ Brown Shipley	11 %	Standard Chartered	11 %
Canada Perm't Trust	11½ %	Trade Dev. Bank	11 %
Castle Court Trust Ltd.	11½ %	Trustee Savings Bank	11 %
Cayzer Ltd.	11 %	TCB	11 %
Cedar Holdings	11 %	United Bank of Kuwait	11 %
■ Charterhouse Japhet	11 %	Volkskas Intl. Ltd.	11 %
Choulartons	11½ %	Westpac Banking Corp.	11 %
Citibank Savings	¶ 9 %	Whiteaway Laidlaw	11½ %
Clydesdale Bank	11 %	Williams & Glyn's	11 %
C. E. Coates	12 %	Wintrust Secs. Ltd.	11 %
Comm. Bk. of N. East	11 %	Yorkshire Bank	11 %
Consolidated Credits	11 %		
Co-operative Bank	*11 %		
The Cyprus Popular Bk	11 %		
Duncan Lawrie	11 %		
E. T. Trust	11 %		
Exeter Trust Ltd.	12 %		
First Nat. Fin. Corp.	13½ %		
First Nat. Secs. Ltd.	13 %		
Robert Fraser	12 %		
Grindlays Bank	‡11 %		
■ Guinness Mahon	11 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 8%, 1-month 8.25%. Short-term £8,000/12-months 10.6%.
† 7-day deposits on sums of under £10,000 8%, £10,000 up to £50,000 8½%, £50,000 and over 9¼%.
‡ Call deposits £1,000 and over 8%.
‖ 21-day deposits over £1,000 9%.
§ Demand deposits 8%.
¶ Mortgage base rate.

Public Works Loan Board rates

Effective February 9

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 3	11½	11½	11½	12½	12½	12½
Over 3, up to 4	11¾	11¾	11½	12½	12½	12½
Over 4, up to 5	11½	11½	11¾	12¼	12¼	12½
Over 5, up to 6	11½	11½	11¾	12¼	12¼	12½
Over 6, up to 7	11¾	11¾	12	12½	12¾	12½
Over 7, up to 8	11½	11½	12¼	12½	12¾	12½
Over 8, up to 9	11½	11½	12¼	12½	12¾	12¾
Over 9, up to 10	11½	11¾	12¼	12½	12½	12½
Over 10, up to 15	12½	12¼	12¼	12⅞	12⅞	12⅞
Over 15, up to 25	12½	12	12	12½	12½	12½
Over 25	12	11¾	11¾	12¼	12¾	12¾

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

MINING

Palabora earns and pays more

BY KENNETH MARSTON, MINING EDITOR

THE Rio Tinto-Zinc group's low-cost Palabora mine in South Africa, which may still be the only major copper producer in the world to be making a profit, has not only raised 1982 earnings but also lifted its dividend.

A final quarterly dividend of 22.5 cents is declared to make a total for the year of 80 cents against 50 cents for 1981. The 1982 net profit comes out at R27.9m against R19.8m in the previous year, but the latest figure is struck before deduction of a deferred taxation rate adjustment of R8.25m arising from an increase in South African corporation tax.

Palabora's copper sales jumped in the fourth quarter to 35,851 tonnes, bringing the year's total to 122,345 tonnes compared with 113,687 tonnes in 1981.

Last March the smelter, refinery and rod casting plants were shut down for maintenance work and modifications.

This adversely affected production of cathodes; thin sheets of pure copper used in an electrolytic process whereby pure copper is carried from anodes (less pure copper) and deposited on the cathodes which are later cast into commercial shapes such as wirebars.

Later in the year smelting and refining operations were resumed, but although the refinery operated at full capacity during the second half it could not treat all the accumulated production of anodes.

There is thus a large stockpile of these awaiting refining this year. Meanwhile, copper prices have improved and Palabora's earnings should have got off to a good start

Malaysian tin output still falling

BY GEORGE MILLING-STANLEY

THE EXPORT quotas imposed on tin-producers under the sixth International Tin Agreement are still having the desired effect on the output of the big Malaysian companies.

The latest output figures released, covering the month of January, show that the cumulative total for the big Malaysia Mining Corporation (MMC) group in the first seven months of the group's current financial year, has fallen to 3,671 tonnes from 4,887 tonnes for the corresponding period of the previous year.

Total production from the six companies in the MMC group for January was 557 tonnes, up from December's figure of 545 tonnes.

The leading producer in the group, MMC itself, saw its output fall to 230 tonnes from 269 tonnes in December. The overall slight increase in tin production came about because three of the smaller companies in the group, Kramat, Southern Kinta and Southern Malayan, all managed to boost output.

The MMC group is controlled by Pernas Charter Management. Other companies under the same management also achieved a small overall increase in output, from December's 879 tonnes to 911 tonnes.

This was a result of a sharp rise at Berjuntai, the biggest producer outside the MMC group, where production rose to 210 tonnes against December's 167 tonnes.

Export controls forced the Pernas companies to close 12 dredges during the month of December, and all 12 remained shut during January. In addition, two other dredges were closed for part of the month.

The smaller Gopeng group also released productioo figures yesterday, showing that January's output fell to 188¼ tonnes from December's 192¾ tonnes.

The fall was largely caused by a decline at Gopeng, the biggest producer.

Labor leader firm on Australian mines tax

BY OUR MINING STAFF

IN THE early skirmishing ahead of Australia's general electioo on March 5, Mr Bob Hawke, the newly-elected leader of the opposition Australian Labor Party (ALP) has, as reported yesterday reaffirmed the ALP's commitment to introduce a "resource rent tax" on the mining companies.

To put it into perspective, such a tax amounts to the equivalent of an excess profits tax. The difference is, as Mr Hawke made clear, that the tax would not be levied on mining projects until all capital outlays had been recouped, thus recognising the fact that a mine is a wasting asset.

The mining operation would also be allowed to achieve an unspecified rate of return, or "normal" profit.

The concept of a resource rent tax is not new, either in Australia or elsewhere. However, to be acceptable, it needs to be levied fairly by those who appreciate the cyclical nature and risks of the mining industry.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

INSURANCES

TRADED OPTIONS

EUROPEAN OPTIONS EXCHANGE

Series		Mar. Vol.	Mar. Last	Jun. Vol.	Jun. Last	Dept. Vol.	Dept. Last	Stock
O FL C	F.265	–	–	1	8.30	–	–	F.268.15
O FL C	F.270	160	3.50	–	–	–	–	"
O FL C	F.275	–	–	2	3.30	–	–	"
O FL C	F.285	10	0.50	–	–	–	–	"
O FL P	F.260	3	2.30	–	–	1	11	"
O FL P	F.265	52	5.30 A	12	2.60	–	–	"
O FL P	F.270	–	–	1	12.50	–	–	"
		Feb.		May		Aug.		
GOLD C	$300	1	121	–	–	–	–	$421
GOLD C	$025	3	170	–	–	–	–	"
GOLD C	$375	65	121	60	134	–	–	"
GOLD C	$400	71	96	67	111	–	–	"
GOLD C	$425	8	71	1	88	–	–	"
GOLD C	$450	6	45 B	10	60.10	–	–	"
GOLD C	$475	123	20	23	50	1	69	"
GOLD C	$500	208	8	166	37.10	105	56	"
GOLD C	$550	10	0.50 B	74	18	6	34	"
GOLD P	$425	–	–	2	4	–	–	"
GOLD P	$475	39	2.50	16	18 B	11	29 B	"
GOLD P	$500	7	15	5	30	1	41 B	"
GOLD P	$550	–	–	12	60	–	–	"
12¼ NL 81 87 91								
C	F.122.50	15	2.90	–	–	–	–	F.132.40
C	F.725	30	7.40	–	–	–	–	"
C	F.127.50	15	5 A	–	–	–	–	"
C	F.130	–	–	8	3.80	–	–	"
C	F.135	60	0.20	15	1.80	–	–	"
C	F.140	–	–	115	0.50	–	–	"
P	F.127.50	–	–	72	1.20	–	–	"
P	F.130	–	–	70	2.80	10	0.50	"
P	F.135	50	3	–	–	–	–	"
10¼ NL 80 86 95								
C	F.115	–	–	70	1.40	10	2.20	F.112.70
11¼ NL 82 88 92								
C	F.107.50	3	7.70	–	–	–	–	F.115.50
C	F.110	20	5.50	–	–	–	–	"
10 NL 82 86 89								
C	F.702.50	10	5.00	–	–	–	–	F.108.20
10½ NL 82 86.89								
C	F.107.50	–	–	30	2.70	–	–	F.109.20
10 NL 82-11 86.89								
C	F.102.50	20	8.10	–	–	–	–	F.110.60
C	F.107.50	6	3	–	–	–	–	"
7¾ NL 82 62-23								
C	F.100	20	0.50	135	1.20	–	–	F.100.50
P	F.100	–	–	10	1.50	–	–	"
7½ NL 80 87.90								
C	F.100	–	–	150	1	–	–	F.99.10
C	F.102.50	–	–	40	0.60	–	–	"
		April		July		Oct.		
ABN C	F.300	40	12	34	14	–	–	F.320
ABN C	F.320	20	0.50	–	–	–	–	"
ABN C	F.300	87	10 A	–	–	–	–	"
AKZO P	F.02.50	55	8.20 B	–	–	–	–	F40.20
AKZO C	F.35	21	6	–	–	–	–	"
AKZO C	F.40	–	–	38	4.50	–	–	"
AKZO C	F.45	25	0.90	57	1.90	–	–	"
AKZO P	F.40	25	1.80	–	–	–	–	"
AMRO C	F.45	91	0.20	–	–	–	–	F.45.60
AMRO C	F.50	76	1.20	166	1.90	02	2.10	"
AMRO P	F.40	117	1	28	1.80	06	2	"
AMRO P	F.45	64	2.80	–	–	–	–	"
HEIN C	F.110	38	6	–	–	–	–	F.109.30
HOOG C	F.17.50	32	1	21	1.60	33	2.20	F.16.50
KLM C	F.140	20	25	–	–	–	–	F.155
KLM C	F.150	72	16	–	–	–	–	"
KLM C	F.760	182	11	–	–	–	–	"
KLM P	F.140	08	7.50	–	–	–	–	"
KLM P	F.150	42	11	–	–	–	–	"
PHIL C	F.27.50	201	6.60	52	6.70	–	–	F.34.00
PHIL C	F.30	271	4.50	71	4.60	3	5.40	"
PHIL C	F.32.50	451	2.80	110	3.20	48	0.90	"
PHIL C	F.35	300	7.60	294	2	146	2.60	"
PHIL C	F.27.50	50	0.00	10	0.60	–	–	"
PHIL P	F.30	235	0.50	24	1.20	100	1.70	"
PHIL P	F.32.50	52	2.10	54	2 A	6	2.20 A	"
PHIL P	F.35	112	2.50	–	–	–	–	"
PO C	F.100	242	3.80	94	4.90	1	–	F.96.60
RO P	F.80	13	3.30	24	1	–	6	"
RO P	F.90	784	1.70	112	0.00	–	–	"
RO P	F.100	68	5	3	8 B	–	–	"
		Feb.		May		Aug.		
SIEM C	DM.260	1	6.50 B	02	12	–	–	DM.267

TOTAL VOLUME IN CONTRACTS 7,544

A=Asked B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls April	Calls July	Calls Oct.	Puts April	Puts July	Puts Oct.
BP (USP) 312	260	58	–	–	3	–	-
	280	40	–	–	6	–	–
	300	24	30	42	17	22	26
	330	8	16	24	34	44	48
	360	3	6	–	60	66	–
CGF (U2P 557)	460	102	117	–	5	11	–
	500	66	77	22	17	23	27
	550	37	47	34	02	40	47
	600	18	30	42	57	62	70
CTD (USP 86)	70	12	21	23	2	2½	3½
	80	10½	14	16	3½	5	7
	20	6	7	2	8	2	10
CUA (USP 100)	120	21	20	–	2	4	–
	130	13	18	–	5	8	–
	140	7	11	16	14	17	18
	160	3	5	7	28	31	32
CEC (USP 206)	180	35	42	60	4	7	10
	197	20	–	–	7	–	–
	200	–	28	07	–	14	30
	217	8	–	–	16	–	–
	220	–	15	–	–	20	-
	237	4	–	–	34	–	–
	240	–	8	–	–	08	–
	260	2	5	–	56	58	–
CMH (USP 042)	240	112	–	–	1	–	–
	260	22	–	–	1	–	–
	280	72	78	–	2	4	–
	300	52	58	–	3	6	–
	330	30	36	43	2	13	17
	060	21	20	28	24	28	31
ICI (USP 094)	260	140	–	–	2	-	–
	280	120	–	–	2	–	–
	000	100	106	–	2	0	–
	330	70	78	–	4	5	–
	060	42	62	80	8	13	16
	390	24	34	44	20	26	30
	420	2	18	28	38	42	46
LS (USP 308)	240	70	–	–	2	–	–
	260	50	55	52	2	4	6
	280	31	38	44	4	8	10
	300	17	23	31	2	14	18
M & S (UOP 210)	180	53	–	–	1½	–	–
	180	33	38	40	2	5	7
	200	20	26	30	7	12	18
	220	10	16	22	17	22	25
	240	3	7	–	33	36	–
SHL (USP 424)	360	66	–	–	–	–	–
	390	38	46	52	5	9	12
	420	20	28	34	18	22	28
	460	7	14	–	44	48	–

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
SBL (USP 440)	360	–	–	–	1	–	–
	360	83	88	96	1	4	8
	385	–	–	–	2	–	–
	390	53	57	68	2	6	15
	420	23	33	45	2	20	30
	460	–	17	23	–	37	48
IMP (USP 128)	20	32	32	–	0½	1	–
	100	29	22	–	0½	1	–
	110	12	18	22	1	2	0
	120	10	13	16	2	6	8
	100	4½	7½	10	5	12	14
LMO (USP 269)	260	16	33	46	6	18	25
	280	4	20	32	20	27	34
	300	2	12	20	40	47	50
	330	2	7	14	70	72	76
	360	2	2	–	100	102	–
	080	2	2	–	130	132	–
LNR (USP 94)	60	36	–	–	0¼	–	–
	70	25	–	–	1	–	–
	80	15	17	19	1	2½	3
	90	6	8½	11	2	7	8
	100	1½	4	6	8	14	15
P & O (USP 121)	100	25	27	28	1	2	5
	110	15	12	20	1	4	8
	120	4	12	14	0	7	13
	130	1	8½	2	10	12	22
	140	1	3	–	20	22	–
	160	0½	1	–	40	40	–
RCL (USP 472)	090	22	–	–	1	–	–
	420	62	–	–	2	–	–
	460	22	47	56	3	27	22
	500	3	25	40	27	30	38
	550	2	12	20	75	75	77
	500	2	3	8	125	125	127
	650	1	2	–	176	176	–
RTZ (USP 527)	330	127	–	–	–	–	–
	360	187	–	–	1	–	–
	380	137	145	–	1	1	2
	420	107	115	117	1	2	6
	460	67	82	90	1	6	16
	500	27	57	70	3	20	34
VRF (USP 122)	50	72	–	–	0½	1	–
	55	68	–	–	0½	2	–
	60	62	62	–	0½	1	–
	70	52	62	62½	0½	1	–
	80	42	42	42½	0½	0¾	–
	90	32	32	32½	0¾	2	2½
	100	22	22	24½	0¾	4½	7
	110	12	14	19½	1	8½	11
	120	0½	20	26	0½	10	16½
	100	–	6	10½	–	17½	21

Feb. 2 Total Contracts 2,122 Calls 1,747 Puts 375

INSURANCE & OVERSEAS MANAGED FUNDS

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3 01-623 1288

Black Horse Man. Fd		715 60		—
Managed Inv. Fd	147 51	155 28		—
Property Fd	145 15	152 79		—
Fixed Interest Fd	132 45	139 43		—
Cash Fd	131 15	138 06		—
Income Fd	149.35	157 22		—
Extra Income Fd.	140 91	148 53		—
Worldwide Growth Fd	193 39	203 20		—
Balanced Fd.	157.84	166 15		—
Smlr Co's & Recy. Fd	184 86	194 59		—
Int Technology Fd	223 97	235 76		—
Nth Amer & Gen. Fd.	139.77	147 13		—
Energy Inc. Fd.	89 87	94 60		—
Pacific Basin Fund	119 76	120 80		—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414111

Equity	93.9	98.9		—
International	102.7	107.3		—
Property	102.2	107.6		—
Deposit	95.5	100.5		—
Fixed Interest	93 5	98.4		—
Managed	98 2	103.4		—
Equity Pens Cap	93 4	98.3		—
Intnl. Pens. Cap	102.7	108 1		—
Property Pens Cap	103 9	109.4		—
Deposit Pens Cap	95.3	100 3		—
Fixed Int Pens Cap	93.0	97 9		—
Managed Pens Cap	98.7	103 9		—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth. Feb 1		85.2		—
Rtmt. Fed. Feb 8		224 8		—
Managed Pen Fund	160 7	169 1		—
Property Pen Fund	109 5	115.3		—
Index Lnkd Pen Fund	119.8	126 1		—
Managed	107.2	112 9	-0.4	—
Property	97.4	103 0	+0.2	—
Gilt and Fixed Interest	95.5	100 6		—
Index-Linked	103 8	109 3	+0 1	—
Equity	110 6	116 5	-0.3	—
Cash	97 9	103.1	+0 1	—
Midland Bk Unit Tst.	105.4	111 0	+0.4	—
Midland Bank Intnl.	121.4	127 8	-0.3	—

Cannon Assurance Ltd.

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ 01-628 8131

GT Plan Bond Fund	119 4	125 7	+0 5	—
GT Pln High Yld Fnd	106 7	112 4		—
GT Plan Far East Fnd	94 7	99 7		—
GT Pln N Am Fund	149 9	157 8		—
GT Pln UK&G E Fnd	121 4	127 8		—
GT Pln Worldwide Fnd	115 9	122 1		—
GT Pension Bnd Fnd.	125 0	131.6	+0.5	—
GT Pen High Yld Fd	119 1	125 4		—
GT Pen Far East Fd	100 1	105.4		—
GT Pen N. Am. Fd	185.4	195.2		—
GT Pen UK & G.E. Fd	133.6	140 7		—
GT Pen Worldwide Fd.	122.6	129 1		—

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0711

Intl. Managed Bond	158 9	167.3		—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.		220 3		—
Portfolio Fd Int.		187 7		—
Portfolio Fd. Cap		213 5		—
Portfolio Man. Acc.	67.1	71.3		—
Portfolio Man Int.	60.2	63 4		—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 7122

Flexible Finance		1 4(3		—
Landbank Secs.		62.7		—
Landbank Scs. Acc	172 4	176.8		—
G. & S. Super Fd.		£10.438		—

Guardian Royal Exchange
Royal Exchange, E.C.3 01-283 1101

Guardian Assurance

Property Bonds	299.3	311 7		—

GRE Linked Assurance Limited

Managed Initial	184 0	193 7	+1.6	—
Do. Accum	201 1	211.7	+1.7	—
Equity Initial	234 4	246.8	+2.9	—
Do. Accum	256 3	269.8	+3.2	—
Fixed Int. Initial	173.0	182 0	+0.3	—
Do. Accum.	189.1	199.0	+0.4	—
International Initial	183 7	195 4	-0.1	—
Do. Accum.	200 8	211.4	-0.1	—
Property Initial	122 4	128.8		—
Do. Accum.	133 7	140.7		—
Deposit Initial	119 8	126 1		—

Westavon Secs. (Guernsey) Ltd.
PO Box 214, St Peter Port, Guernsey 0481 27768

Gilt & Option Fd	98 0	103 0		3 00

World Wide Growth Management⊕
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$11 82	—	-0 03	—

Inv. Adv. M & G Inv Mngt., Ltd., London.

Wren Commodity Management Ltd.
10 St George's St., Douglas IoM 0624 25015

Wren Com Fund	37.2	38 7		1 10
Chinese Fund	73 4	76 4		1 70
Precious Metal Fund	155 3	161.6		8 30
Vanguard Cmdy Fd	45 5	46 7		3 26
Financial Futures Fd	134 0	139 4		-
Wren Intl Fnd	$0 928	0 967		-

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ⊕ Yield column shows annualised rate of NAV increase.

EUROBONDS

Nippon Oil prepares launch of convertible

By Alan Friedman in London

NIPPON OIL, Japan's largest oil wholesaler, is preparing to launch a convertible Eurodollar bond issue of up to $50m. Nikko Securities is at work on the deal and will be lead-manager.

Although some pre-market dealing specialists were yesterday quoting prices on the basis of a 5½ per cent coupon and a 15-year maturity, Nikko said last night it was too early to conclude that these were the definitive terms on the issue. The bond is expected to be launched within the next week or so.

Eurodollar bond prices managed a gain of ⅛ to ¼ point yesterday in a generally quiet secondary market. Bargain hunting continues, but dealers reported that partly-paid issues were being ignored by investors.

From Tokyo comes word of a Y20bn ($84.6m) Samurai bond for the World Bank. The 12-year bond (Samurais are issues in the Japanese market for foreign entities) carries a coupon of 8 per cent at a price of 99⅝ suggesting a yield of 8.29 per cent. Nikko Securities is lead-manager.

The World Bank deal appears to have been well received by Japanese investors and was last night being quoted at a premium price of 100¼.

In West Germany, Euro D-Mark bond prices picked up by ¼ point yesterday, partly because of the weakness of the U.S. dollar against the D-Mark and partly because bargain hunters are now moving in to buy low-cost bonds.

● About Y70bn of new Samurai bond issues are expected next month and bankers say the second quarter of 1983 should see one new issue a week, and a total of more than Y200bn between April and June.

The Government of Malaysia will launch a Y15bn issue through Daiwa Securities on February 25. March should see the return of a previously postponed Y15bn issue for Ireland, carrying a 10-year maturity and also to be led by Daiwa.

Sweden is planning a Y20bn 10-year issue through Nomura Securities on or around March 15. Credit Foncier of France is scheduled to make its debut in the Samurai market later in March with a Y15bn 10-year deal led by Yamaichi Securities. Austria will round out the month with a Y20bn 10-year deal through Daiwa.

The strengthening of the Japanese currency has aided the Samurai market, which was in the doldrums last autumn. Trading has been most active among new issues, which are yielding around 8 per cent generally. Older issues are being sold because of their lower yields of 7½ to 8 per cent, but yields between the primary and secondary markets are now beginning to average out.

● Credit Suisse First Boston said last night that it was putting together a certificate of deposit facility of up to $300m for Banque Nationale de Paris.

Portuguese bank explores $150m credit

By Our Euromarkets Staff

PORTUGAL's largest savings bank, the government-owned Caixa Geral de Depositos, is believed to be exploring the possibility of a $150m Eurocredit. The move follows the embarrassing collapse of a planned $150m revolving underwriting facility, which was to have been organised by Merrill Lynch International Banking Group.

Lloyds Bank International is understood to have had preliminary conversations on the prospect of a syndicated loan, but talks are at a very early stage and no agreement has been reached.

Bankers in London suggested yesterday it was possible that a Eurocredit for Caixa might not even go forward, given the political and economic uncertainties plaguing Portugal. One option is for the Portugese Government to launch its own Eurocredit, but this too is at a very preliminary stage.

Ahold makes rights issue

By Walter Ellis in Amsterdam

AHOLD, the leading Dutch supermarket operator, with interests in the U.S. and Spain, has confirmed that it will make a one for four rights issue, with subscriptions opening on February 25.

With an issue price of Fl 110 ($40.8), the 817,012 shares will grant participation in Ahold NV, the Dutch parent, and the Ahold International Foundation.

The prire per share includes Fl 20 (the nominal price of an Ahold ordinary share) and Fl 90 for the allied participation, which has no nominal value. In view of this, Ahold's share premium reserve will not increase. The new issue will be entitled to full 1983 dividend.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. *The following are closing prices for February 9.*

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex O/S Fin 14⅛ 89	75	109½	110	-0⅜	-0⅛	11.80
Amro Bank 13 89	200	103½	104	+0⅛	-0⅞	12.12
BHP Finance 14⅞ 89	150	106	106½	0	+0½	13.18
British Col Hyd 14¾ 89	200	109⅝	110⅛	0	-0½	12.35
British Col Hyd 15¼ 92	150	113⅜	114¼	0	-0¼	12.61
Canada 14⅞ 87	750	110⅛	110⅝	0	+0¾	11.18
Canadair Ltd 12½ 89	175	103¼	103¾	+0⅛	-0¼	11.70
Canadian Wheat 11¼ 90	50	98¼	98⅝	-0⅛	-0⅛	11.58
Can Pac Ltd 14⅝ 97	75	107½	107⅞	+0⅛	-0⅜	13.17
Can Pac Sec 15 89	75	108	108½	0	-1	12.97
Citicorp O/S 15 84/92	100	104	104½	+0⅛	-0⅛	10.87
Coca Cola Int 0⅞ 92	100	22¼	22¾	-0⅜	0	11.17
Coca Cola Int 11⅜ 89	100	104⅝	105⅛	0	-0⅛	10.86
Credit Suisse 10½ 89	100	99⅝	99⅞	+0¼	-0⅛	10.57
Deutsche Bk Fin 14¼ 89	300	108⅝	108⅞	-0⅛	-0⅜	12.21
Du Pont 11¼ 95	150	98⅛	98⅝	+0⅛	-0⅜	11.50
Du Pont 14½ 89 WW	200	106¾	107¼	+0⅛	-0¾	12.45
E D C 10¾ 88	100	98¼	98¾	+0⅛	+0⅛	11.10
E.D.F. 12⅞ 87	150	102¼	102¾	0	-0⅛	11.98
E E C. 11½ 95	200	96¼	96¾	0	-0⅜	12.08
E I B 15½ 92	100	111	111⅛	+0⅛	+0⅜	13.29
Exp Dev Corp 11¾ 87	100	100⅞	101⅜	0	-0⅜	11.39
Forsmarks 13¾ 92	75	102¼	102¾	0	-0⅛	13.24
Gaz de France 12¼ 93	175	17½	18	-0⅛	-1	12.63
Gen Elec Credit 0⅞ 91	100	12⅝	13⅛	+0⅛	+0⅛	11.06
Gen Elec Credit 12 89	100	104⅜	104⅞	+0⅛	-0⅜	10.95
Getty Oil Int 14 89	125	106¼	106¾	-0⅛	-0½	12.41
GMAC O/S Fin 10½ 90	200	95½	96	0	-0⅜	11.41
GMAC O/S Fin 15 87	100	108⅛	108⅝	+0⅛	-0⅛	12.31
GMAC O/S Fin 15 90	125	111⅛	111⅝	0	+0½	12.28
Gulf Oil Fin 12¼ 87	100	103⅝	104⅛	+0⅛	-0½	11.18
IBM World Trade 12¼ 87	200	108½	109⅛	+0⅛	-0⅜	10.87
Lloyds Euro 11½ 94	100	16⅞	17⅜	-0⅛	-1½	11.86
Manitoba Prov 11¾ 89	125	101¾	102¼	+0⅛	-0⅜	11.29
Manitoba Prov 13¾ 89	100	107⅝	108⅛	0	-0⅜	11.83
Midland Int Fin 11½ 92	150	98	98½	0	-0¼	11.78
Nat West Fin 11¾ 92	150	99⅝	100⅛	+0⅛	-0⅛	11.75
New Brunswick 15⅛ 87	75	110⅜	111⅜	+0⅛	-0⅛	11.84
Newfoundland 15½ 90	75	108⅞	109⅜	+0⅛	-0⅛	13.34
Nova Scotia Prv 15¼ 89	75	111½	112	-0⅛	-1	12.45
Ontario Hydro 11⅛ 89	200	100⅝	101⅛	+0⅛	0	11.05
Ontario Hydro 12¾ 92	200	103½	104	+0⅛	-0⅜	12.05
Ontario Hydro 15 92	150	113½	114	+0⅛	-0⅜	12.41
Prudential O/S 12⅞ 87	150	104¾	105¼	+0⅛	+0⅛	11.29
Quebec Hydro 11½ 92 D	100	98⅛	98⅝	-0⅛	+0⅛	11.75
R J. Reynolds 12¾ 89	100	103⅝	104⅛	+0⅛	-0⅜	11.78
Saskatchewan Prov 15 92	150	112	112½	0	-0⅜	12.67
Shell Canada 14⅞ 92	125	106⅝	106⅞	0	-0¼	13.07
Superior O/S Fin 14 89	125	106⅞	107⅜	+0⅛	0	12.27
Swed Exp Credit 14¾ 90	100	105⅞	106⅜	+0⅛	-0⅛	13.34
Swiss Bk Corp 10¼ 90	125	99⅛	99⅝	-0⅛	+0¼	10.37
U.B.S. 10¾ 87	200	101¾	102¼	+0⅛	+0¼	10.17
U.B.S. 11 89	150	101¾	102¼	+0⅛	+0⅜	10.55
Walt Disney Pro 12½ 89	75	103½	103	+0⅛	-0¼	11.63
World Bank 10⅞ 90	200	96⅜	96⅞	+0⅛	-1⅛	11.60
World Bank 11⅛ 88	100	94½	95	-0⅛	-1⅛	11.89
World Bank 13⅛ 87	300	105⅛	105⅝	0	-0¼	11.64

Av. price changes: on day 0, on week -⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 0⅛ 92	80	100	100½	0	+0⅛	8.21
Asian Dev Bank 0⅛ 92	150	99	99⅛	0	+0⅜	8.36
Australia 6⅞ 93	200	97¾	98¼	0	+0⅛	7.18
Australia 7⅛ 92	200	101¾	102½	+0⅜	+0½	1.43
Bayer Capital 7⅜ 89	150	101⅜	101⅞	+0⅛	+1¼	7.30
Beecham Fin 0⅛ 92	125	100⅝	101½	0	+0⅜	7.94
Black & Decker 0⅛ 89	100	104⅛	104⅝	0	+0⅜	8.10
Caisse Nat Energie 0 93	100	98¾	99¼	+0⅛	0	8.15
E C S C. 7½ 93	150	97¾	98¼	+0½	+0⅜	7.79
E.C.S C. 0 94	200	99¾	100¼	+0¼	+0⅛	7.99
E.E.C 0 94	200	99¾	100½	+0⅛	+0⅛	7.98
E.I.B. 0⅛ 92	200	100⅝	101⅛	+0⅛	+0⅜	8.18
GKN 8⅞ 89	100	98	98¾	-0⅛	+0⅛	8.69
Gould Int Fin 0⅞ 89	75	100⅞	101⅜	0	+0⅜	8.04
Int-Am Dev Bk 8⅛ 93	150	98⅞	99⅜	-0⅛	0	8.30
Ireland 8⅞ 91	150	98⅛	98¾	-0⅛	0	8.86
ITT Antilles 0⅛ 92	100	106	106½	-0⅛	+0⅛	8.25
McDonalds Fin 7⅛ 92	100	99⅛	99¾	+0⅜	+0¼	7.19
Mitsubishi Heavy 7⅛ 87	150	99⅞	100⅜	+0⅛	+0⅛	7.58
Norsk Hydro 9 92	100	104⅞	105⅜	0	+0⅜	8.11
O.K.B 8⅛ 89	100	102⅞	103⅜	+0⅛	+1⅛	8.20
Sweden Kingdom 8⅛ 89	150	100⅛	100⅝	+0⅛	0	8.11
World Bank 0⅛ 92	200	100⅞	101⅜	+0⅛	-0½	8.07
World Bank 9 92	200	104¼	105	+0⅛	+0⅜	8.21

Av. price changes: on day +½, on week +⅜

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
B.F.C.E. 6⅛ 92	100	101¾	102	0	+0⅛	5.98
Bowater Int Fin 6 92	100	102¾	192	-0⅛	-0⅜	5.61
Chugoku Ele Pow 6⅛ 01	100	102½	102¾	-0½	-0⅛	5.70
City of Oslo 6⅛ 92	100	105	105¼	-0¼	0	6.55
E.E.C 6⅛ 92	100	103¾	104	+0¼	-0⅛	5.71
Eurofima 6⅛ 92	100	102	102¼	+0⅛	-2½	6.44
First Interstate 6 92	100	103¾	104	0	+0½	5.48
Gaz de France 6 93	100	102½	102¾	-0⅛	0	5.65
Japan Air Lines 6 94	100	102⅛	102½	-0⅜	-1⅛	5.11
Japan Dev Bk 5⅛ 92	100	101⅛	101⅛	+0¼	+0⅜	5.07
KLM Dutch Air 6⅛ 92	80	102⅛	102⅜	-0⅛	-1	5.89
Kyushu Elec Power 6 92	100	102	102¼	-0¼	0	5.71
Montreal Urban 6½ 92	100	104½	104¾	-0⅜	-0⅛	5.86
New Zealand 5⅛ 92	100	101	101¼	-0⅛	-0½	5.10
Nippon Express Co 6 93	50	102¼	102½	-0⅛	+1⅛	5.68
Nippon Kokan 5⅝ 93	100	98⅛	98⅜	-0⅛	-0½	5.81
Nisshin Steel Co 6⅛ 92	100	101	101⅛	0	-0⅜	6.22
O K.B. 6⅛ 93	80	101	101¼	0	-0⅛	6.58
Philip Morris 5⅛ 92	100	101¾	102	-0⅛	-1⅛	5.00
Philips Lamps 5⅞ 92	100	103¾	104	0	+0½	5.23
Quebec 5¾ 92	100	102¾	103	-0½	-0⅛	5.37
Sweden Kingdom 5⅞ 92	100	100¼	100½	0	-0¼	5.82
Tokyo Elec Power 5⅞ 92	100	102	102¼	-0¼	-0½	5.58
Tokyo Metropolis 5⅜ 92	100	100	100¼	-0⅛	-1	5.36
World Bank 5½ 93	100	100½	100¾	-0⅛	0	5.42
World Bank 6⅛ 92	100	105⅛	105⅜	+0½	0	5.48

Av. price changes: on day -⅛, on week -⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅛ 92	15	105	105⅝	-0⅜	-0½	1.88
E.I.B 8⅛ 92	15	102½	102⅞	+0⅛	-0⅛	7.85
Japan Airlines 7⅛ 87	8†	100½	101	0	-0¼	1.65
New Zealand 8⅛ 87	15	103⅛	104⅝	0	-0⅛	7.32
World Bank 8⅛ 92	20	103⅝	104⅛	-0⅛	-0⅜	7.74

Av. price changes: on day -⅛, on week -½

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Brit Col Tel 17⅛ 88 CS	50†	112½	113	0	-0⅛	13.75
Can Utilities 17 87 CS	35†	114	115	0	+0⅛	12.93
Gaz de France 15 89 CS	75†	106¼	106¾	+0⅛	0	13.43
Gaz Metro 14⅛ 92 CS	40†	104	105	0	-0⅜	13.62
O.K.B. 16⅛ 90 CS	83†	114½	115½	-0⅛	0	12.21
Quebec Hydro 14 87 CS	60†	106⅛	107⅛	+0⅛	-0⅜	12.48
Swed Exp Cr 12⅛ 89 CS	50†	97½	98	0	-0⅜	12.88
Ireland 12¾ 90 Ecu	30	100	101	-0⅛	-0⅜	12.83
Thom Brand 12½ 87 Ecu	40	100	101	0	0½	12.34
Amfas 9½ 87 Fl	60	104⅛	104⅝	+0⅛	0	8.34
Amro Bank 9½ 87 Fl	100	105	105½	-0⅛	-0⅜	8.11
Neder Midd 0⅜ 87 Fl	100	104⅛	105	+0⅛	0⅛	8.02
Nedlloyd Grp 10⅛ 87 Fl	75	105⅛	105¾	0	-0⅛	8.77
Van Lanschot 10⅛ 87 Fl	50	100	100½	0	0	8.04
World Bank 10 87 Fl	100	107⅝	107⅞	+0⅛	+0⅛	7.98
O.K.B. 14 89 FF	400	97½	98⅛	-0⅛	-0⅛	14.88
Solvay & Cie 14⅛ 88 FF	200	98¼	97¾	0	-0⅛	15.98
D F C.E. 14½ 87 £	30	104½	105⅜	-0¼	+0⅛	12.79
C.E.C.A. 13½ 88 £	20	101⅜	102⅜	+0⅛	+0½	12.97
C.N.T. 12½ 88 £	20	97⅝	98⅝	-0⅛	+0⅛	12.98
E.E.C. 11⅞ 91	50	86	85¾	0	0	12.83
Fin For Ind 12⅛ 88 £	30	99	100	-0⅛	+0½	12.34
Fin Nat Dram 12⅝ 92 £	30	21	22	0	-0⅛	13.28
Gen Elec Co 12½ 89 £	50	102⅝	103⅝	0	0	11.71
Hiram Walker 14⅛ 86 £	25	103⅛	105⅛	0	0	12.48
Mort Bk Fin 11⅜ 89 £	15	22⅛	23⅛	+0⅛	0	13.54
Norsk Hydro 12 90 £	30	24½	25⅜	0	+0⅜	13.37
Norsk Hydro 14⅛ 87 £	30	104⅞	105⅝	-0⅛	-0⅛	12.88
Quebec 14½ 89 £	30	103⅝	104⅝	0	+0½	13.51
S.D.R. France 15½ 92 £	30	103⅝	104⅝	0	+0⅛	14.83
S D C.F. 11½ 89 £	30	17⅛	11⅞	+0⅜	+0⅛	13.28
Tenneco Int 14⅜ 87 £	30	105	106	-0⅛	+0⅛	12.99
World Bank 11⅜ 91 £	75	23	23⅜	0	+0⅛	12.79
Eurofima 10½ 87 LuxFr	500	98⅜	97⅞	+0¼	0⅛	10.64
Europarat 12⅛ 92 LuxFr	500	104⅛	105⅛	0	+0⅛	11.84

FLOATING RATE NOTES	Spread	Bid	Offer	C.date	C.cpn	C.yld
Bank of Tokyo 5⅛ 91 (D)	0⅛	99⅝	100⅛	10/6	8⅝	8.75
B.F.C.E. 5⅛ 88	0¼	98⅞	99⅜	29/7	8¼	8.33
B.F.C.E. 5¼ 87	0¼	99⅛	99⅝	27/7	9.94	10.00
Caisse Nat Tele 5¼ 90	0⅛	99⅛	99⅝	21/4	10.36	10.63
C.C.C.E. 5⅛ 2002	0⅜	97⅞	98¼	11/3	8⅝	10.08
Copene 5¼ 92	0⅛	99¼	99⅝	10/6	9.94	10.00
Copene 5⅛ 93 ††	0⅛	99⅝	99⅞	1/8	9.94	10.01
Chemical NY 5¼ 94 ††	0⅜	100	100½	23/3	9.94	9.91
Credit Agricole 5⅛ 97	0⅛	98⅛	98⅝	24/3	12⅛	12.96
Credit du Nord 5⅛ 92	0¼	98⅝	99⅛	23/6	10⅛	10.23
Credit Lyonnais 5⅛ 97	0¼	99½	99⅞	1/4	12.10	12.26
Credit Lyonnais 5⅛ 94	0¼	98⅞	99⅜	5/7	9⅝	9.84
Credit Nat 5⅛ 94 ††	0⅛	99⅝	99⅞	9/3	12.10	12.32
Kansallis Osake 5⅛ 92	0⅛	99⅝	100⅛	9/5	10.06	10.06
Lloyds Eurofin 0⅛ 93 §	0⅛	100	100½	28/4	10.56	10.54
Long Term Cred 5⅛ 92	0¼	99⅝	99⅞	27/5	10⅛	10.15
J.P. Morgan 5⅛ 97 §	0⅛	100	100½	14/2	10.06	10.04
Nat West Fin 5¼ 91 §	0⅛	99⅝	100⅛	15/7	9⅛	9.25
New Zealand 5¼ 87	0½	100⅛	100⅝	1/4	12⅛	12.44
NZ Steel Dev 5⅛ 92	0⅛	99⅝	100⅛	22/8	10.18	10.19
Nippon Credit 5⅛ 90	0⅛	99⅝	100⅛	19/2	13⅛	13.08
Offshore Mining 5¼ 91	0⅛	99⅞	100⅜	2/6	10.44	10.42
Scotland Int 5⅛ 92	0⅛	99⅝	100⅛	23/3	13⅛	13.27
Sec Pacific 5⅛ 91	0⅛	100	100½	24/5	10.06	10.04
Société Générale 5⅛ 95	0¼	99	99½	1/3	12.01	12.01
Standard Chart 5¼ 91	0⅛	99⅞	100⅜	18/3	10.69	10.07
Sweden 5⅛ 93	0⅛	99⅜	99⅞	3/8	10.19	10.28
Sweden 5¼ 89	0⅛	99	99½	26/2	11.81	11.90

Av. price changes: on day 0, on week +⅛

CONVERTIBLE BONDS	Conv. date	Conv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5⅛ 96	7/81	933	89¼	90¾	-0¼	3.16
Bridgestone Tire 5½ 96	3/82	470	95⅞	97⅜	-0¼	1.17
Canon 7 97	1/82	748.2	162⅜	164⅛	-2¼	8.39
Fujitsu Fanuc 4½ 98	10/81	5614	96½	97½	+0⅛	25.29
Hitachi Cable 5⅛ 96	2/82	515	94⅞	96⅜	-1⅜	6.43
Hitachi Credit Corp 5 98	7/81	1912	86½	88⅛	-1½	21.56
Honda Motor 5½ 97	3/82	836.5	118½	120	-0⅜	3.92
Kawasaki 5⅛ 99	9/81	229	70½	72	+0⅜	19.48
Kumagai Gumi 6⅛ 97	10/82	488	111	112½	+0⅜	6.87
Kyowa Hakko 6⅛ 97	2/83	762	100⅝	101⅞	-0⅛	11.35
Marui 6 96	7/81	846.4	115⅛	116⅝	-1¾	14.82
Minolta Camera 5 98	10/81	826.4	69⅜	71⅛	-0⅛	37.18
Minorco 0¼ 97 †	5/82	8.10	143½	145½	-2½	-3.67
Murata 5⅛ 96	7/81	1971	88⅛	89⅞	+0⅛	28.24
NKK 6½ 98	7/81	189	79½	81	-0½	18.88
Nippon Electric 5⅛ 97	2/82	804.2	111⅞	119⅜	+0⅜	7.47
Olympus Optical 6¾ 97	12/82	1331	102⅜	103⅞	+0¼	16.28
Orient Finance 5⅛ 97	3/82	1205	93	94½	0	-1.21
Sanyo Electric 5 98	10/81	852	82	83½	-0⅛	28.08
Sumitomo Electric 5½ 97	3/82	577.3	94⅝	96½	+0⅛	12.08
Sumitomo Metal 5¼ 96	10/81	296.1	69⅛	71	0	30.84
Olympus Opt 4½ 92 SF	12/82	1331	105⅝	107¼	0	34.84
Konishiroku 6¾ 88 DM	6/82	616	108	110¼	+2	11.87
Mitsubishi Heavy 6 89 DM	2/82	263	104	105	-0¼	12.46
Sun Realty 0⅛ 92 DM	2/83	365	107½	108½	0	2.26

* No information available—previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. = current coupon. Cr. yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

NORTH AMERICAN QUARTERLY RESULTS

AMF

Fourth quarter	1982 $	1981 $
Revenue	240.7m	303.3m
Net profits	3.7m	14.8m
Net per share	0.16	0.64
Year		
Revenue	1.38	3.11
Net profits	32.1m	71m
Net per share	1.05bn	1.15bn

COLEMAN COMPANY

Fourth quarter	1982 $	1981 $
Revenue	84.1m	86.0m
Net profits	4.28m	4.07m
Net per share	0.64	0.62
Year		
Revenue	347.6m	358.1m
Net profits	14.46m	20.19m
Net per share	2.18	3.06

CONTINENTAL GROUP

Fourth quarter	1982 $	1981 $
Revenue	1.18bn	1.20bn
Net profits	42.9m	42.4m
Net per share	1.14	1.11
Year		
Revenue	4.98bn	5.18bn
Net profits	180.2m	242.2m
Net per share	4.80	6.61

EG AND G

Fourth quarter	1982 $	1981 $
Revenue	188.3m	186m
Net profits	10.6m	9.2m
Net per share	0.36	0.32
Year		
Revenue	800.8m	718.2m
Net profits	40.2m	34.6m
Net per share	1.38	1.20

FLEMING COS

Fourth quarter	1982 $	1981 $
Revenue	964.2m	812.2m
Net profits	8.9m	7.8m
Net per share	1.17	1.04
Year		
Revenue	3.69bn	3.4bn
Net profits	29.4m	25.9m
Net per share	3.95	3.55

GAF

Fourth quarter	1982 $	1981 $
Revenue	141.1m	144.2m
Net profits	18.8m	†30.5m
Net per share	10.66	12.19
Year		
Revenue	623.2m	672.5m
Net profits	12.2m	†28.2m
Net per share	0.64	12.24

† Loss

GANNETT

Fourth quarter	1982 $	1981 $
Revenue	428.1m	377.2m
Net profits	55.7m	54.6m
Net per share	1.05	1.01
Year		
Revenue	1.52bn	1.37bn
Net profits	180.5m	172.5m
Net per share	3.39	3.17

HALLIBURTON

Fourth quarter	1982 $	1981 $
Revenue	1.59bn	2.38bn
Net profits	97.9m	184.1m
Net per share	0.83	1.58
Year		
Revenue	7.28bn	8.51bn
Net profits	496.8m	674.3m
Net per share	4.21	5.12

HARSCO

Year	1982 $	1981 $
Revenue	978.6m	1.16bn
Net profits	36.1m	61.5m
Net per share	1.85	3.10

INT'L FLAVORS/FRAGRANCES

Fourth quarter	1982 $	1981 $
Revenue	95.1m	97.9m
Net profits	9.5m	7.6m
Net per share	0.26	0.21
Year		
Revenue	447.9m	451.1m
Net profits	63.2m	66.1m
Net per share	1.73	1.81

KERR-McGEE

Fourth quarter	1982 $	1981 $
Revenue	1.02bn	1.07bn
Net profits	73.9m	66m
Net per share	1.39	1.27
Year		
Revenue	3.79bn	3.83bn
Net profits	208.6m	211.1m
Net per share	3.98	4.07

LONE STAR INDUSTRIES

Fourth quarter	1982 $	1981 $
Revenue	228.9m	219.6m
Net profits	15.9m	19.3m
Net per share	1.06	1.51
Year		
Revenue	866.8m	917.6m
Net profits	14.7m	58.1m
Net per share	0.05	4.52

MAPCO

Fourth quarter	1982 $	1981 $
Revenue	640.7m	591.2m
Net profits	19.7m	31.1m
Net per share	0.71	1.13
Year		
Revenue	2bn	2.2bn
Net profits	73.8m	96.9m
Net per share	2.67	3.51

SEDCO

Six months	1982-83 $	1981-2 $
Revenue	277.3m	253.5m
Net profits	60.7m	100.4m
Net per share	2.99	3.09

SMITH INT'L

Fourth quarter	1982 $	1981 $
Revenue	228.6m	328.2m
Net profits	6.1m	41m
Net per share	0.27	1.79
Year		
Revenue	1.07bn	1.19bn
Net profits	82.3m	133.1m
Net per share	3.61	5.80

STORAGE TECHNOLOGY

Fourth quarter	1982 $	1981 $
Revenue	280.6m	278.1m
Net profits	8.2m	32m
Net per share	0.26	0.89
Year		
Revenue	1.08bn	922m
Net profits	64.7m	82.4m
Net per share	1.98	2.60

SUNSTRAND

Fourth quarter	1982 $	1981 $
Revenue	240.2m	277.4m
Net profits	15.3m	25.1m
Net per share	0.84	1.37
Year		
Revenue	961.8m	1.05bn
Net profits	69.3m	95m
Net per share	3.77	5.22

TIDEWATER

Third quarter	1982-83 $	1981-82 $
Revenue	105.3m	126.3m
Net profits	14.6m	19.2m
Net per share	0.86	1.10
Nine months		
Revenue	335.9m	368.7m
Net profits	44.3m	54.3m
Net per share	2.63	3.12

WESTINGHOUSE CANADA

Fourth quarter	1982 C$	1981 C$
Revenue	172m	188m
Net profits	6.5m	8.8m
Net per share	2.43	3.38
Year		
Revenue	707m	676m
Net profits	23.9m	30.4m
Net per share	8.91	11.31

SECTION III – INTERNATIONAL MARKETS

FINANCIAL TIMES

Thursday February 10 1983

EEC decision on sugar exports deferred, Page 37

WALL STREET

Late grasp restores some poise

VOLATILE performances by many blue chip stocks stood out in yesterday's trading on the New York Stock exchange and threatened at one stage to pull the broader market into a steep decline, *writes Duncan Campbell-Smith in New York.*

The Dow Jones industrial and transportation averages both recovered from their lows just after 2 pm, however, and the market ended on a more balanced note with 84.69m shares traded.

The industrial average closed down 7.91 at 1,067.42 having dipped 13.15 earlier, and the transportation marker ended 6.03 lower at 471.65. Declining stocks, which at one point had outnumbered those advancing by almost three to one, were roughly in balance by the end of the day.

Celeron itself lost some of the gain which bad followed the original advancement, falling $¾ to $31½ while Goodyear lost $⅞ to $29⅛. The stocks were the second and third most heavily traded of the day. Goodyear Canada yesterday reported a loss of $2.4m in 1982 against earnings of $7.34 per share in 1981.

Retail stocks were conspicuous losers, with J. C. Penney down $1⅛ to $52½ and Federated Department Stores down $2¼ to $48. Kroger, which reported $4.64 per share fully diluted earnings for 1982 against $4.38, was down $¼ at $35¾. May Department Stores rose $1⅞ to $51⅛ after the company forecast record earnings for its latest year to January on sales of $3.6bn against $3.4bn.

BankAmerica gained $⅛ to $18¾ but Aetna Life and Casualty lost $½ to $33⅜ after both companies had reported revised earnings figures following objections from the Securities and Exchange Commission to their accounting policies.

Other weak groups prominent yesterday included high technologies.

Market analysts again attributed much of its weakness to investors' preoccupations with the Dow indices' behaviour around these levels.

One of the few resilient sectors was domestic oils, where prices were widely thought to have benefited from Tuesday's announcement of an agreed acquisition of Celeron, a Louisiana energy group, by Goodyear Tire and Rubber. Amerada Hess gained $1⅞ to $25⅞, Superior Oil $1¼ to $32½ and Belco Petroleum $1⅛ to $27⅞.

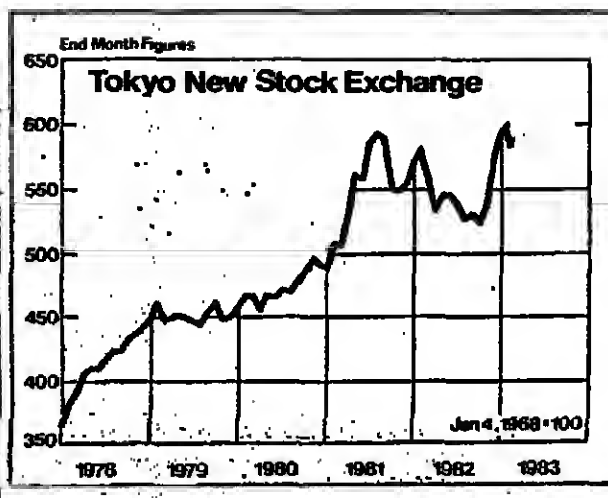
Parts of the bond and money markets are beginning to look as though they have gone into late hibernation, and yesterday was another unusually quiet day on most fronts.

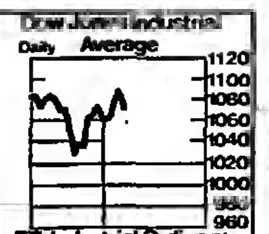
Even the banks' weekly settlement process for reserves left the Federal Funds market very quiet. The Funds rate traded between 8¼ and 8½ percent for much of the day with the Federal Reserve arranging $1.85bn of customer repurchases at 8½ per cent. Treasury bills closed with sligbtly lower rates, oo the three-month bill at 8.53 per cent and the six-month at 8.84 per cent, both on a bond equivalent basis.

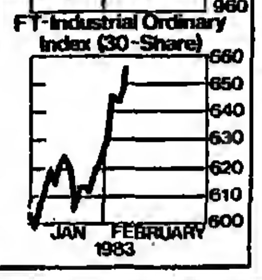
The government bond markets similarly saw rates dip a few basis points in thin trading with the medium and long-term issues yielding around 10.96 and 11.08 per cent. In the corporate bond market Hydro Quebec's new double-tranche issue appeared to meet with an encouraging demand. The 1989 11⅞ per cent tranche was increased from $100m to $175m and priced at 99⅝ to yield 11.84 per cent. The $100m 13⅛ per cent tranche due 2013 was priced at par.

Toronto stocks confined themselves to a narrow trading range through most of the session, with oil and pipeline issues showing signs of improvement but golds weaker.

KEY MARKET MONITORS







STOCK MARKET INDICES

	Feb 9	Previous	Year ago
NEW YORK			
DJ Industrials	1067.42	1075.33	830.57
DJ Transport	473.95	477.68	342.72
DJ Utilities	123.94	125.46	105.16
S&P Composite	145.00	145.70	113.68
LONDON			
FT Ind Ord	656.0	649.4	573.7
FT-A All-share	408.19	404.85	327.77
FT-A 500	441.78	437.93	347.97
FT-A Ind	416.48	413.26	317.48
FT Gold mines	695.0	712.0	288.8
FT Govt secs	78.27	78.09	64.68
TOKYO			
Nikkei-Dow	7995.93	8027.20	7794.19
Tokyo SE	584.14	584.48	575.31
AUSTRALIA			
All Ord.	503.3	504.1	537.6
Metals & Mins.	435.3	440.7	387.8
AUSTRIA			
Credit Aktien	48.77	48.95	55.12
BELGIUM			
Belgian SE	105.28	104.67	95.21
CANADA			
Toronto Composite	2082.3*	2075.7	1675.0
Montreal Industrials	356.60*	356.25	293.36
Combined	343.83*	343.02	278.31
DENMARK			
Copenhagen SE	104.79	104.13	97.15
FRANCE			
CAC Gen	104.2	104.10	107.3
Ind. Tendance	107.5	108.0	116.9
WEST GERMANY			
FAZ-Aktien	255.55	252.75	227.38
Commerzbank	766.0	764.7	693.4
HONG KONG			
Hang Seng	906.64	896.84	1292.47
ITALY			
Banca Comm.	191.9	189.93	186.25
NETHERLANDS			
ANP-CBS Gen	106.8	106.4	67.1
ANP-CBS Ind	92.9	92.5	68.7
NORWAY			
Oslo SE	134.22	134.11	108.85
SINGAPORE			
Straits Times	784.87	779.19	776.71
SOUTH AFRICA			
Golds	976.9	983.5	530.3
Industrial	826.5	813.2	708.1
SPAIN			
Madrid SE	103.37	103.59	107.45
SWEDEN			
J & P	1124.78	1144.18	606.25
SWITZERLAND			
Swiss Bank Ind	303.6	303.6	250.9

GOLD (per ounce)

	Feb 9	Prev
London	$492.50	$497.25
Frankfurt	$490.50	$497.50
Zürich	$491.50	$497.50
Paris	$497.86	$502.68
New York futures (Feb)	$492.20	$492.70

* indicates latest pre-close figure

CURRENCIES

	U.S. DOLLAR Feb 9	U.S. DOLLAR Previous	STERLING Feb 9	STERLING Previous
£	1.5420	1.5375	–	–
DM	2.4300	2.4410	3.75	3.75½
Yen	236.25	237.30	365	365
FFr	6.8925	6.9225	10.62¼	10.64¼
SwFr	2.0225	2.0165	3.12	3.10¾
Guilder	2.6790	2.6900	4.13¼	4.13¾
Lira	1398	1404	2155	2158½
BFr	47.70	47.81	73.55	73.50
C$	1.2260	1.2240	1.8905	1.8825

INTEREST RATES

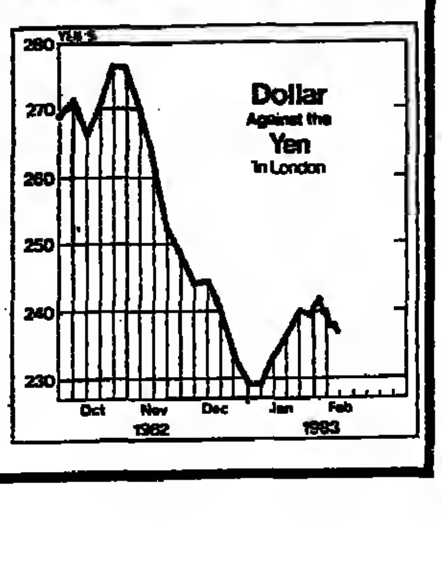
	Feb 9	Prev
Euro-currencies (three month offered rate)		
£	11⅛	11³⁄₁₆
SwFr	3	3³⁄₁₆
DM	5⅞	5¹³⁄₁₆
FFr	21⅝	21⅜
FT London interbank fixing (offered rate)		
3-month U.S.$	9⁵⁄₁₆	9⁷⁄₁₆
6-month U.S.$	9¹¹⁄₁₆	9¾
U.S. Fed Funds	6⅛	8⅝
U.S. 3-month CDs	8.8	8.9
U.S. 3-month T-bills	8.27	6.28

FINANCIAL FUTURES

	Latest	High	Low	Prev
CHICAGO				
U.S. Treasury Bonds (CBT) 8% $100,000 32nds of 100%				
March	72–28	72–30	72–18	72–28
U.S. Treasury Bills (IMM) $1m points of 100%				
March	91.66	91.68	91.57	91.64
Cert Deposit (IMM) $1m points of 100%				
March	90.99	91.04	90.90	90.99
LONDON				
Three-month Eurodollar $1m points of 100%				
March	90.58	90.65	90.56	90.62
20-year Notional Gilt £50,000 32nds of 100%				
March	99–29	100–08	99–26	99–28
Three-month Sterling Deposit £250,000 points of 100%				
March	89.45	89.50	88.53	89.23

LONDON COMMODITY MARKETS

	Feb 9	Prev
Silver (spot fixing)	894.55p	914.1p
Copper (Cash)	£1039.50	£1047.50
Coffee (March)	£1695.00	£1699.00
Oil (spot Arabian light)	$29.67	$29.77



LONDON

Buying tide rises despite funds drain

INVESTMENT activity increased noticeably after a slow start yesterday, and equities advanced strongly into uncharted territory. The performance was achieved despite a beavy drain on market funds yesterday through the £21.9m Associated British Ports flotation, oversubscribed many times.

A possibility that the current national water workers' dispute might spread to other state energy industries also militated against fresh progress in equity markets, as did Ultramar's cash call for £108m via a rigbts issue.

Brokers said clients were eager to increase their investment portfolios, selecting stocks ranging from blue chip and secondary industrials through to a range of situation issues. Optimistic comments from the employers' federation, the CBI, about UK export prospects and the continuing high level of consumer spending gave market added momentum late in the day.

Easier early Wall Street advices made no impression on sentiment and London equity values closed at the day's best. The FT Industrial Ordinary index added 6.6 to a best-ever 656.0.

A further easing in short-term international interest rates, the pound's continued improvement against the dollar, and favourable money supply figures for January ensured firmness for gilt-edged securities. However, a lesser volume of business indicated that investment interest was still being diverted elsewbere.

Closing gains were thus limited to around ½ among the longs, and to ⅜ at the shorter end of the market, despite last month's larger than expected central government repayment.

The property sector, poised to turn better for some time now, took its cue from a press suggestion that London was beginning to experience a property boom.

The failure of the bullion price to make a concerted drive through the $500 level, coupled with a cessation of the recent beavy South African support, led to a general downturn in gold and gold-related issues. Financials were also broadly lower, while Australians were erratic.

Share information service, Pages 38-39

AUSTRALIA

Poll restraint

A GOOD opinion poll showing for the opposition Labor Party dampened leading mining stocks in Sydney, but falls in that sector were restrained and the broader market sbowed little change.

Western mining shed four cents to A$3.68, MIM 10 cents to A$3.85 and CRA a similar amount to A$3.60, but Bougainville managed a three-cent improvement to A$2.23. Market leader BHP shed six cents to A$6.42.

Golds were a firm spot, with GMK returning to the A$11 mark, 50 cents stronger.

Industrials traded within a narrow range there and in Melbourne, where National Commercial Bank stood out with a 10-cent gain to A$2.50.

SOUTH AFRICA

Uneven shift

VERY active Johannesburg trading left golds at their day's lows as the bullion price tended indecisively downward, but most other mining and industrial issues beld firm.

Randfontein in the heavyweights fell R6 to R164, and mining financials declined in sympathy, Amgold sbedding R5 at R141 and De Beers 30 cents at R8.70.

The pattern reflected the market's cautious coming to terms with the abolition last weekend of exchange controls on non-residents.

FAR EAST

Sigh of relief for Hitachi

THE SETTLING of Hitachi's computer secrets trial in the U.S. – admission of guilt and fine notwithstanding – brought renewed confidence to its stock and those of other Tokyo international populars which bave lagged behind the broader market in recent days.

This time values overall took an erratic downward path, with speculatives and domestic industrial issues said to bave been depressed by record margin buying levels oo the exchange and by an overnight Wall Street setback.

The Nikkei-Dow Jones market average ended back below the 8,000 mark, off 31.27 to 7,995.93 in moderate volume of some 400m sbares.

Hitachi gained Y23 to Y793 in active trade of nearly 13m sbares, taking other computer makers upward too. Mitsubishi Electrical added Y6 to Y376, Fujitsu Fanuc Y11 to Y928, Nippon Electrical Y12 to Y934 and Toshiba Y9 to Y338 as the gains spilled over into other blue chip fields.

But TDK, whicb bad made substantial beadway in the morning, relinquished these to stand Y20 lower at Y4,140. Market participants attributed this to continuing trade frictions with Europe on the general level of Japanese electronics exports, particularly video tape recorders. Sony was another whicb ended Y40 down at Y3,300.

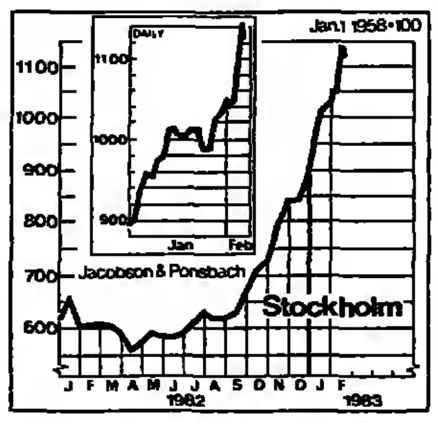
Signs of resilience in the yen encouraged oils but vehicle stocks were mixed.

A Finance Ministry buying operation in the bond market – the fourth in just over a week, aimed at maintaining terms for the February national issues – provided additional firmness to a market already aided by the currency trends. Brokers said the latest intervention involved purchases totalling some Y20bn.

Gains in Hong Kong were pared by the close of the balf-day midweek session but still provided the Hang Seng index with an adequate opportunity to breach the 900 mark, ending 9.80 up at 906.64.

Among the diverse factors cited in explanation of the modest rally were traditional bullsihness ahead of the Chinese new year, and speculative interest in the banking sector as 50th anniversaries approached for Hang Seng Bank itself, 25 cents firmer yesterday at HK$50, and Wing Lung, up HK$1.25 to HK$44.75.

Afternoon support emerged in Singapore but trading was selective and at moderate levels, in a market in which Londoo stockbrokers James Capel detect "distinct signs of improving confidence" and bigh liquidity.



EUROPE

Stockholm's boom stumbles

A SOFTER dollar in continental Europe yesterday was offset as a buying stimulus on the bourses by Wall Street's downward drift overnigbt and the persistent uncertainty whicb surrounds the course of key interest rates, leaving local factors to determine sentiment.

Domestic political and economic considerations nowhere attained a stature whicb dominated trading, however, corporate swings and roundabouts brought features here and there but, in the main, stock markets ended the day little cbanged.

One exception was **Stockholm**, a market of growing international prominence which has benefited from a sustained boom in share values io recent weeks. It fell victim yesterday to profit-takers after further substantial gains on Tuesday. Volume reached such a level that it disrupted final calculations of price changes.

In the face of this came substantially bigher 1982 results and an increased dividend from AGA, the industrial gas and refrigeration group, which the previous day added SKr 10 to SKr 320. It was forced to relinquish SKr 5 of the gain.

This was the opposite trend to **Madrid**, where net foreign investment on the bourse showed a Pta 130.3m fall in January after rising Pta 67m the previous month, official figures showed.

Yesterday prices there ended steady in dull trading.

In a similarly quiet **Paris** performance portfolios, constructions, and stores fell. Even foods, the only area of discernable strength, had Carrefour as a weak exception with a FFr 20 dip to FFr 1,250.

In lower metals Creusot-Loire declined FFr 1.80 to FFr 57.20. Steel industry federation figures showed a 24.6 per cent fall-off in production for January against a year earlier. The foreign sector was slightly higher on balance.

Prices in **Frankfurt** recovered from an easier start to close steady, with demand most in evidence for Siemens, eventually unchanged at DM 267, and for bank sbares. The banking majors all ended well off their lows but with gains on the day by and large kept below DM 1.

Zurich encountered selling pressure on banking issues which the banks themselves were unable completely to check with purchases of their own. Of the industrials Ciba-Geigy, Sandoz, Nestlé and Alusuisse all posted small gains, as did Swissair.

A generally firmer **Brussels** outcome was featured by a BFr 140 advance for grocery cbain Delhaize to BFr 3,900. Utilities steadied after sharp gains on Tuesday.

Initial weakness in **Milan** attributed to technical and speculative pressures ahead of settlements day, was overcome by the close. Textiles concern Snia Viscosa added L12 to L859.

Uneven gains were in evidence by the close in **Amsterdam**, with Dutch internationals in general neglected.

NEW YORK STOCK EXCHANGE CLOSING PRICES

[illegible]

Continued on Page 35

AMERICAN STOCK EXCHANGE CLOSING PRICES

[illegible]

Continued on Page 36

NEW YORK STOCK EXCHANGE CLOSING PRICES

Continued from Page 34

[illegible]

Continued on Page 36

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

CANADA

DENMARK

FRANCE

GERMANY

AUSTRIA

BELGIUM/LUXEMBOURG

HOLLAND

HOLLAND (continued)

ITALY

NORWAY

SPAIN

SWEDEN

SWITZERLAND

AUSTRALIA

HONG KONG

JAPAN

JAPAN (continued)

SINGAPORE

SOUTH AFRICA

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

LONDON

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price	Day's change
Carr Boyd	132	+7
Habitat	236	+22
ICI	394	—
Kloof Gold	£32¾	−1½
Land Secs.	308	+9
Laporte	260	+10
MEPC	218	+8
Melins	246	+10
Pres Steyn	£38⅞	+1
Reed Int	268	+10
Standard Chartered	450	+22
Ultramar	490	−10

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues close	Day's change
Mnlt ns	23	236	+20
Arlen Elec.	12	360	−5
Fleet Hldgs	17	54	+5
Ultramar	17	500	−7
BAT Inds.	16	725	−5
Beecham	15	363	+6
ICI	15	394	+2
Bio-Isolates	14	400	−20
Cns Gld. Flds	13	570	+18
Crest Nicholson	13	104	−14
RTZ	13	540	+15
De Beers Deld.	12	505	+20
Exco	12	540	+30
Plessey	12	605	+7

RISES AND FALLS YESTERDAY

	Risen	Falls	Same
British Funds	80	1	18
Corpns Dom & Foreign Bonds	20	3	53
Industrials	314	187	830
Financial & Props	201	53	260
Oils	24	15	72
Plantations	10	1	11
Mines	37	59	53
Others	47	56	46
Totals	733	375	1,341

NEW HIGHS AND LOWS FOR 1982/3

NEW HIGHS (181)

BRITISH FUNDS (1)
AMERICANS (4)
CANADIANS (2)
BANKS (2)
BREWERS (6)
BUILDINGS (13)
CHEMICALS (6)
DRAPERY & STORES (8)
ELECTRICALS (3)
ENGINEERING (2)
HOTELS (2)
INDUSTRIALS (14)
INSURANCE (3)
LEISURE (1)
MOTORS (4)
NEWSPAPERS (3)
PAPER (7)
PROPERTY (12)
SHIPPING (1)
SOUTH AFRICANS (4)
TEXTILES (1)
TOBACCOS (1)
TRUSTS (71)
OIL & GAS (1)
OVERSEAS TRADERS (2)
PLANTATIONS (5)
MINES (12)

NEW LOWS (4)

INDUSTRIALS (2)
Berwick Timpo Sale Tilney
MOTORS (1)
E.R.F.
OIL & GAS (1)
Sunmask Pet.

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Feb 7	Feb 18	May 19	May 31
Feb 28	Mar 11	June 2	June 13
Mar 14	Mar 25	June 16	June 27

For rate indications see end of Share Information Service

Stocks favoured for the call included English China Clays, Southwest Resources, Helene of London, Smith St Aubyn, Polly Peck, Mellins, North Kalgurli, Davy, First National Finance, Barker and Dobson, Reliance Knitwear, Keep Investment, Acorn Securities, Combined Technologies, Baltic Leasing.

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed Feb 9 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues Feb 8 Index No.	Mon Feb 7 Index No.	Fri Feb 4 Index No.	Thur Feb 3 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (208)	445.36	+1.7	8.89	3.85	14.05	438.00	434.61	435.21	434.00	374.43
2	Building Materials (24)	429.99	+0.3	9.81	4.41	12.27	428.49	425.83	429.39	429.95	330.06
3	Contracting, Construction (30)	776.09	+0.1	11.35	4.25	10.50	775.41	768.24	765.60	758.22	584.43
4	Electricals (32)	1662.56	+2.9	7.24	2.08	17.72	1616.31	1603.13	1601.93	1600.36	1270.49
5	Engineering, Contractors (10)	413.17	+1.7	16.96	7.24	7.22	406.26	405.98	404.52	404.65	517.41
6	Mechanical Engineering (66)	210.18	+1.3	10.81	5.56	11.53	207.43	206.03	204.25	205.98	199.86
8	Metals and Metal Forming (11)	171.38	+1.3	12.68	7.26	9.46	169.23	166.29	167.02	167.73	176.50
9	Motors (18)	88.20	+1.7	0.45	7.11	—	86.70	85.50	85.81	86.77	99.54
10	Other Industrial Materials (17)	410.46	+0.8	8.53	5.20	14.58	407.32	405.37	406.09	399.11	407.08
21	CONSUMER GROUP (201)	421.71	+0.2	9.92	4.21	12.23	420.87	418.85	419.97	420.92	294.62
22	Brewers and Distillers (23)	476.73	+0.2	10.64	4.49	11.48	475.75	468.21	469.08	469.33	287.11
25	Food Manufacturing (21)	344.18	−0.1	13.27	5.36	8.83	344.67	342.63	345.39	344.30	283.09
26	Food Retailing (14)	859.96	+0.5	7.40	2.81	16.98	855.84	845.79	853.99	854.86	599.11
27	Health and Household Products (8)	720.80	+0.1	5.47	2.53	21.78	720.22	716.64	717.98	722.60	398.30
29	Leisure (24)	507.57	+1.2	8.05	4.75	16.15	501.38	498.77	495.15	494.98	403.74
32	Newspapers, Publishing (13)	719.38	+1.3	8.59	4.51	15.52	710.05	711.60	707.88	707.07	499.73
33	Packaging and Paper (14)	164.95	+1.5	14.12	6.79	8.31	162.47	162.10	163.44	164.43	147.36
34	Stores (47)	363.45	+0.1	8.32	3.78	15.92	363.01	364.45	364.83	367.01	268.43
35	Textiles (23)	192.28	+0.2	12.39	5.57	9.83	191.86	190.09	188.48	187.67	160.27
36	Tobaccos (3)	507.39	−0.6	17.29	5.46	6.39	510.23	510.56	515.33	516.31	306.30
39	Other Consumer (11)	371.14	+0.1	2.27	3.75	—	370.72	364.26	367.67	363.38	275.48
41	OTHER GROUPS (77)	317.26	+0.8	10.76	5.17	11.18	314.60	312.62	311.30	310.76	259.38
42	Chemicals (15)	416.65	+0.7	11.83	5.81	10.04	413.94	402.32	409.48	410.75	352.19
44	Office Equipment (5)	103.68	+3.3	10.67	5.51	11.55	100.34	99.24	98.58	99.81	129.47
45	Shipping and Transport (13)	563.57	+0.6	15.37	7.55	7.75	560.30	546.86	540.54	537.51	581.82
46	Miscellaneous (44)	448.50	+0.8	8.84	4.06	13.78	445.05	443.20	443.24	440.11	316.65
49	INDUSTRIAL GROUP (486)	416.48	+0.8	9.68	4.21	12.63	413.26	410.78	411.34	411.36	317.40
51	Oils (14)	722.81	+1.5	17.50	8.00	6.74	712.19	704.03	704.03	707.29	691.47
59	500 SHARE INDEX	441.79	+0.9	10.77	4.74	11.26	437.93	435.05	435.49	435.78	347.97
61	FINANCIAL GROUP (121)	302.88	+1.0	—	5.84	—	299.93	296.93	297.06	300.08	250.73
62	Banks (6)	312.97	+1.0	32.22	7.71	3.39	309.81	309.50	309.73	315.09	287.33
63	Discount Houses (8)	286.80	−0.6	—	8.51	—	288.50	289.25	283.39	272.39	236.25
65	Insurance (Life) (9)	378.75	—	—	5.05	—	378.61	368.20	369.03	371.84	255.13
66	Insurance (Composite) (10)	202.16	+0.3	—	7.04	—	201.62	199.32	202.20	206.58	160.27
67	Insurance Brokers (7)	574.46	+0.8	11.17	4.75	12.45	570.17	564.48	564.08	566.85	407.87
68	Merchant Banks (13)	168.04	−1.2	—	5.14	—	170.12	169.72	168.91	167.30	151.64
69	Property (54)	463.30	+2.7	5.57	3.87	23.71	451.01	446.72	445.79	445.95	454.49
70	Other Financial (14)	228.19	+1.2	12.24	5.16	9.70	225.50	223.74	217.25	220.13	188.73
71	Investment Trusts (109)	405.13	+0.7	—	4.15	—	402.40	400.31	399.05	397.80	314.94
81	Mining Finance (4)	270.45	−2.1	7.59	5.26	17.64	276.39	268.59	275.93	274.31	233.67
91	Overseas Traders (16)	449.73	+1.7	11.10	8.04	11.90	442.10	441.01	439.77	442.55	433.08
99	ALL-SHARE INDEX (750)	408.19	+0.8	—	4.93	—	404.85	401.80	402.34	403.82	327.77

FIXED INTEREST

	PRICE INDICES	Wed Feb 9	Day's change %	Tues Feb 8	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	116.84	+0.22	116.58	—	1.39
2	5-15 years	125.35	+0.22	125.07	—	1.78
3	Over 15 years	132.06	+0.24	131.74	—	0.14
4	Irredeemables	136.81	+0.52	136.10	—	0.00
5	All Stocks	124.60	+0.23	124.31	—	1.20
6	Debentures and Loans	99.88	+0.40	99.49	—	0.64
7	Preference	76.39	+0.39	76.09	—	0.32

	AVERAGE GROSS REDEMPTION YIELDS		Wed Feb 9	Tues Feb 8	Year ago (approx.)
	British Government				
1	Low	5 years	9.08	9.14	12.70
2	Coupons	15 years	10.68	10.70	13.65
3		25 years	10.93	10.96	13.40
4	Medium	5 years	11.52	11.59	15.27
5	Coupons	15 years	11.73	11.77	15.30
6		25 years	11.31	11.36	14.61
7	High	5 years	11.69	11.75	15.32
8	Coupons	15 years	11.92	11.95	15.36
9		25 years	11.49	11.53	14.94
10	Irredeemables†		10.87	10.92	13.82
11	Debs & Loans	5 years	12.65	12.74	16.18
12		15 years	12.72	12.78	16.01
13		25 years	12.79	12.82	15.91
14	Preference†		13.06	13.11	15.62

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A new list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

FINANCIAL TIMES STOCK INDICES

	Feb. 9	Feb. 8	Feb. 7	Feb. 4	Feb. 3	Feb. 2	year ago
Government Secs.	78.27	78.09	77.55	77.46	77.91	77.18	64.61
Fixed Interest	80.21	78.96	79.72	79.72	79.70	79.22	66.15
Industrial Ord.	656.0	649.4	643.0	644.0	646.8	632.8	575.7
Gold Mines	625.0	718.0	675.0	668.5	676.9	673.5	288.8
Ord. Div. Yield	4.71	4.74	4.77	4.76	4.75	4.84	5.66
Earnings, Yld.% (full)	10.10	10.15	10.21	10.80	10.14	10.40	9.44
P/E Ratio (net) (*)	11.90	11.85	11.76	11.78	11.84	11.54	16.88
Total bargains	83,082	26,276	26,965	87,440	21,856	85,064	17,514
Equity turnover £m.	—	207.46	205.26	858.55	881.35	887.98	162.00
Equity bargains	—	81,146	86,092	85,814	24,899	23,843	15,145
Shares traded (ml)	—	166.7	148.9	185.8	206.9	801.6	97.7

10 am 645.9. 11 am 648.5. Noon 649.1. 1 pm 651.6. 2 pm 652.5. 3 pm 653.8.

Basis 100 Govt. Secs. 15/1/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/55. SE Activity 1974.

Latest Index 01-246 8026.
*Nil = 11.07.

HIGHS AND LOWS

	1982/3 High	1982/3 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	85.84 (3/11)	61.89 (0/1/82)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.08 (12/11)	62.79 (7/1/82)	160.4 (28/11/47)	50.66 (3/1/75)
Ind. Ord.	656.0 (9/2/83)	518.1 (10/1/82)	656.0 (9/2/83)	42.4 (26/6/40)
Gold Mines	712.0 (8/2/83)	181.2 (22/6)	712.0 (8/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Feb. 8	Feb. 7
—Daily		
Gilt Edged Bargains	172.1	176.7
Equities Bargains	137.0	149.6
Value	418.5	410.8
5-day Avrge		
Gilt-Edged Bargains	167.1	166.5
Equities Bargains	155.8	158.2
Value	505.1	544.5

NEW YORK AND CANADA

Indices

NEW YORK—DOW JONES

STANDARD AND POORS

N.Y.S.E. ALL COMMON

RISES AND FALLS

MONTREAL

TORONTO

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 35

NEW YORK CLOSING PRICES

Continued from Page 35

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close	Ch'ge Prev. Close
40¼	22½	Weverh	1.30	3.8	41	617	37⅝	37	37⅛	−⅛
52	30¼	Weyr	pf2.80	5.8		208	48½	47½	48	
54⅞	37⅛	Weyr	pr4.50	8.7		195	52	51¼	51⅞	−⅛
23½	12⅛	WhelPit				29	18⅝	17⅞	18	−⅛
39½	33½	WhPit	pf 6	15		z300	u40½	39½	40	+1
34	28	WhPit	pf 5	15		z350	34	33	33	−1
47½	33	Whirlpl	1.80	4.9	12	165	46	45	45	
39	22½	WhitC	1.50	4.0	20	73	37⅝	37	37½	+½
39	31¼	WhitC	pfC3	0.1		3	37	37	37	
35⅞	12¼	Whittal			17	77	35⅛	34½	35	+⅝
31⅞	16	Whittak	1.60	6.6	6	183	24⅛	23¾	24¼	
7½	3	Wiebldt			64	70	7	6⅞	6⅞	
27⅞	12⅞	Willam	1.20	0.9	17	1330	20⅛	19¾	20	−⅛

X—Y—Z

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close	Ch'ge Prev. Close
42½	27⅞	Xerox	3	6.0	6	3234	37¼	37⅛	37½	
51¼	49⅜	Xerox	pf5.45	11		1096	49⅞	49⅝	49⅞	+⅛
22⅛	10¼	XTRA	.32	31		2	19¾	12⅛	19⅛	
25	17⅞	ZaleCp	1.26	5.8	30	5	22	21⅞	21⅞	−⅛
25	11⅞	Zapata	.84	4.9	4	1030	17⅞	16⅞	17	+⅛
71	25¼	Zayre	.40b	.6	16	20	65½	65⅛	65½	−⅛
16⅞	9⅛	ZenithR				668	15⅛	14⅞	15	−⅛
32½	16⅛	Zero	.56	1.2	15	123	29⅛	29⅛	29⅞	
32½	18	Zurnin	1.32	4.4	6	74	30¼	30⅛	30⅛	−⅛

COMMODITIES AND AGRICULTURE

EEC defers sugar exports decision

BY JOHN EDWARDS, COMMODITIES EDITOR

IN A surprise move, the EEC Commission yesterday deferred a decision on authorising sugar exports at its weekly selling tender. This is believed to be the first time this has happened since the EEC tenders started more than ten years ago.

Renter reported from Brussels that a majority of the management committee rejected the Commission's proposal on the quantity of sugar to be exported and the level of the maximum subsidy to be given.

This unprecedented decision by the management to turn down the Commission's recommendation is thought to reflect differing views on the size of weekly exports and the subsidies given.

There has been some debate recently about how much surplus sugar the EEC should hold back to help boost world market prices from their present depressed levels.

Sufficient information should now be available to calculate the size of average weekly exports for the rest of the 1982-83 season, which officially ends on June 30 but is normally extended into July.

The Commission had suggested authorising exports of 41,000 tonnes of white (refined) sugar with a maximum rebate of 36.878 European currency units per kilo. This compares with 44,000 tonnes, with a rebate of 375.99 units last week.

It may decide to call another meeting of the management committee, either today or tomorrow, when the same proposal or modified version could be submitted for approval. Alternatively, the Commission could take the unlikely step of appealing directly to the Council of Ministers.

There was little reaction on the London sugar futures markets to the Brussels setback. Values were up again following the firm trend this week, but closed around £1 below the highs of the day.

Walker defends food costs

BY RICHARD MOONEY

THE EEC's Common Agricultural Policy (Cap) has not been responsible for British food rises in recent years, Mr Peter Walker, the UK Agricultural Minister, told a House of Commons committee yesterday.

In evidence to the European legislation committee he said that in real terms farmgate prices were down 17 per cent ofr milk, 19 per cent for cereals and 14 per cent for sugar since 1979.

He blamed increased retail prices mainly on the effect of inflation on other costs such as manufacturing, packaging and distribution.

The EEC Commission's proposed farm price increase for the 1983-84 marketing years, averaging 4.4 per cent, would be below the inflation rate, he added, assuming they were not talked up too much in the Council of Ministers.

Mr Walker said he would have preferred more modest price rises, particularly for creals and milk, which are in heavy surplus. The gap between EEC and world prices for these commodities, though narrowed, would still be too large, he said.

A substantial improvement in UK farmers' returns last year had been mainly due to almost perfect growing conditions

In the Brussels price talks, farm ministers should seek a balance between the battle against inflation and the need to ensure the economic health of the farming industry, he said.

Farmland reaches record prices

By Richard Mooney

BRITISH farmland reached record high prices at the end of last year.

Provisional figures published by the Ministry of Agriculture show that the average price of 10,900 hectares of vacant possession land changing hands in England and Wales in the final quarter of 1982 was £4,482 a hectare—exceeding the previous peak of £4,410 reached in the second quarter of 1980.

But the weighted average price, which allows for area and size group variations in the sample, was still £3 below the 1980 record at £4,425 a hectare.

● THE INTERNATIONAL exhibition for agricultural mechanisation, Agromek 83, postponed because of an outbreak of foot and mouth disease on the Isle of Funen—will be held in Herning, Denmark, from March 22-26.

● THE EUROPEAN Commission should immediately introduce intervention of bread wheat until the end of the grain year in August, said the West German Association of Cooperative farmers.

● GRAIN traders say Britain sold Poland 80,000 tons of wheat last week.

● KAISER Aluminium said one of three aluminium potlines will close this week at a smelter in Ghana run by its Valco affiliate. Low water conditions were blamed.

● FOOD AID shipment in 1981-82 under the international wheat agreements food aid convention rose to 7.92m tonnes compared with 6.7m the previous year. Major donors were the U.S., the EEC, Canada, Australia and Japan.

● AUSTRALIA'S 1983 rice output is estimated at 480,000 tonnes padi, a downward revision from earlier estimates of 550,000 tonnes. Irrigation water shortages are blamed.

NFU seeks help to strengthen tomato industry

BY OUR OWN CORRESPONDENT

THE National Farmers' Union has drawn up proposals calling for a co-ordinated marketing policy for tomatoes and a plan to set up an interprofessional body to reconcile the various strands of interests with the British tomato industry.

The NFU document was submitted to the Ministry of Agriculture earlier this week and the union is hoping for a meeting soon with Mr Peter Walker, the Agriculture Minister.

The document is a response to a report by the National Economic Development Office (Nedo) which offered sharp criticism of the British tomato growing industry.

The producers are also hoping for cash aid from a Government not noted for its philanthropy, partly to help combat steep competition from Dutch growers and also to implement the recommendations of the Nedo report.

Nedo's 100-page document, published last November, points up the comparisons with the Dutch industry, which in the past few years has been blamed for much of the British problem.

Holland's tariffs are much lower for natural gas used to heat glasshouses, and lower still compared with the price of the oil that warms 90 per cent of British glasshouses.

The benefit Dutch growers have gained from this concession has been calculated at £10,000 an acre or 4p on every lb of tomatoes. It enabled Holland to double its tomato exports to Britain between 1978 and 1981 to almost 70,000 tonnes.

Dutch imports did not grow quite as fast in the past season, rising by only a further 3,000 tonnes, but more UK growers succumbed to pressure by moving into other crops or growing tomatoes later in the year when the temperature is higher and little or no heating needed.

The weather last season was so mild that yields were among the highest on record, but the very abundance pushed prices so low that many producers finished the year losing money and calling it a disaster. Sterling's buoyancy did not help either.

Agitation by British and other Continental growers, notably German and French, have wrung from the Dutch a promise to forgo their cheap horticultural gas tariffs at the end of March, but the first quarter is just when the Dutch edge will do British growers the most harm — the period when crops are developing and energy costs are highest.

Some relief has come from the British Government's decision to extend the aid given in each of the past two years, of £5.5m and £4m respectively, for this year's first quarter, to lessen the gap between the two countries' production costs.

Growers are to receive 25 per cent of last year's figure, but they say that this is not truly pro rata with 1982 because half the year's total energy costs are incurred in the three months for which the aid has been granted.

The Nedo report makes clear, however, that the industry's problems go much beyond suffering unfairly at the hands of the Dutch and that even after the differential has been eliminated the lion's share of reform will remain.

Some progress has already been made, both on the English mainland and in Guernsey, through the shaking out of many less efficient growers. England and Wales used to have 1500 hectares of heated glasshouses, but this had shrunk to 844 by 1979 and 740 by 1981. Guernsey's tomatoes under glass contracted from 232 hectares in 1979 to 134 hectares now.

Both Guernsey and England hope that the increase in yield per unit and the use of more new varieties might improve their fortunes, but both are facing a decline in the popularity of tomatoes with British consumers.

The Nedo report questions most aspects of the British tomato industry, including its organisational structure, the obsolescence of its glasshouses, deficiencies in methods of collection and distribution and in the quality and dependability of the product.

One expert touched the nub of the problem when he said that Britain had missed out because of failure to plan centrally in marketing, and its inability to supply multiple retailers in the manner to which they have become accustomed through the methods of other suppliers.

"British capacity to give assurances on quality, continuity and speed of delivery is much inferior to that of the Dutch," he said.

"A multiple outlet wanting a large consignment of tomatoes can get it in five minutes from the Dutch and in five hours from the British. It is as simple as that."

Full inquiry demanded into zinc industry rationalisation

BY JOHN EDWARDS

A FULL inquiry by the Department of Industry into a scheme to rationalise the European zinc industry, involving the possible closure of the smelter at Avonmouth, was called for yesterday by Mr Richard Cottrell, Conservative MEP for Bristol and North Wilts.

In a letter to Mr Patrick Jenkin, Secretary of State, Mr Cottrell expressed concern that the British Government had not been directly involved in a scheme which could be of strategic importance if it resulted in the closure of Britain's only zinc smelter.

Mr Coottrell said the only Government view so far was that market forces should prevail in any commercial decision on the future of the Avonmouth smelter.

But this was in sharp contrast with the attitude of the Belgian and French governments, who had strongly resisted any idea of their smelters closing and blocked EEC Commission approval of the scheme.

Mr Cottrell questioned whether it would be wise for the Government to allow the loss of 850 jobs at the smelter, especially when industry sources were forecasting that higher prices later this year might restore it to profitability.

Mr Cottrell's demand for an inquiry follows a Reuter report from Hanover on Monday quoting Mr Guenther Sassmannshausen, president of the West German Metals Association, as predicting that AM & S (Europe) part of the Rio Tinto Zinc group, would close the Avonmouth smelter this year.

A. M. & S. in Bristol refused to comment on the report. But the company has made no secret of the fact that it is taking part in the general discussions for rationing the European zinc industry.

The plan—which was submitted to the EEC Commission several months ago since it would run foul of anti-cartel rules—proposed that surplus capacity amounting to some 150,000 tonnes, about 10 per cent of the total, would be closed.

It is a self-financing scheme in that smelters closing down would be compensated out of a fund created by the 12 producers involved.

The main problem, however, is deciding which smelters would close. Avonmouth is a prime candidate since it has been consistently losing money and has suffered severely recently from the depressed conditions in the zinc industry. But other smelters in France and Belgian are equally uneconomic and, therefore, candidates for closure on commercial grounds.

Producers are still holding discussions to try to reach agreement on new proposals to put to the Commission for approval.

In spite of strong pressure from the German smelters there is a strong body of opinion that feels the producers will never agree sufficiently to get the scheme off the ground.

FMC financial troubles denied

FMC, Britain's biggest bacon curer "is not on the point of going bust," Sir Richard Butler, president of the National Farmers' Union, told the union's annual meeting in London

He said the company, which is a subsidiary of the NFU Development Trust, needed about £15m of investment capital to modernise

But "its track record in a period of acute difficulty for the meat industry is better than most," he declared.

Reports of RMC's worsening financial situation following a £1.657m pre-tax loss in 1981-82 have led to rumours that it might have to cease trading.

Sir Richard said FMC might have to contract 'but it will survive."

PRICE CHANGES

In tonnes unless stated otherwise	Feb. 9 1983	+ or —	Month ago
Metals			
Aluminium	$210.815	.....	£818/815
Free Mkt	$1150/1180	—15	$1080/1080
Copper			
Cash h grade	£1030.5	—8	£995
3 mths	£1071.5	—8.25	£1025.75
Cash Cathode	£1016	—8	£956.5
3 months	£1045	—8.75	£986.75
Gold troy oz	$402.5	—4.75	$481.5
Lead Cash	£289	—0.75	£305.5
3 months	£300.25	—1	£317.75
Nickel	£4584	.....	£4384
Free mkt	182 212c	.....	179/208c
Palladium	$111.25	—17	‡
Platinum	£296.45	—8.1	£292.60
Quicksilver†	$335/345	.....	$325/335
Silver troy oz	294.65p	—19.55	765.75p
3 mths	017.75p	—20.20	786.20p
Tin cash	£8442.5	+12.5	£7512.5
3 month	£8427.5	+8.5	£7528.5
Tungsten	$72.78	.....	$92.25
Wolfrm 22.04 lb	$79/83	.....	$72/82
Zinc Cash	£440.5	—4.5	£445
3 mths	£455.125	—5.375	£458.75
Producers	$750-800	.....	$800

	Feb. 2 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$450z	—2.5	$442.5
Groundnut	$452.5z	.....	$455
Linseed Crude	£318	—5	£318
Palm Malayan	$372.5x	.....	$370
Seeds			
Copra Philip	$305z	.....	$600
Soyabean (U.S.)	$238	—0.75	$240
Grains			
Barley Fut. May	£118.26	.....	£114.80
Maize	£137.80	.....	£146.50
Wheat Fut. May	£131.05	—0.5	£121.45
No2 Hard Wint	‡	.....	‡
Other commodities			
Cocoa ship't*	£1396	+0	£1189
Fut. May	£1328.5	—25	£1171.5
Coffee Ft. May	£1550.5	—3	£1604.5
Cotton A. Index	73.75c	.....	71.65c
Gas Oil Mar	$252.25	—3.25	$271
Rubber kilo	61.75p	—0.5	53.25p
Sugar (Raw)	£111z	+1	£96
Wooltp's 64s	402p kilo	.....	378p kilo

‡ Unquoted. w March. x April. z Feb-March. † Per 76-lb flask. * Ghana cocoa. n Nominal.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.60-29.75	—0.10
Iranian Light	27.10-28.25	+0.06
Arabian Heavy	27.75-28.00	—0.15
North Sea (Forties)	28.70-29.20	—0.22
North Sea (Brent)	28.70	—0.25
African Bonny L'ht	29.70-00.00	—
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	257-270	—
Gas oil	244-260	+1.5
Heavy fuel oil	148-150	—

GAS OIL FUTURES

Prices fell during the morning in listless trading but rallied on a rumour that Ayatollah Khomeini had been shot. The market dipped back again on the denial, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Feb	245.25	—1.75	240.25-43.25
March	239.25	—0.25	241.50-38.00
April	263.00	—4.00	235.25-32.50
May	230.25	—4.50	233.00-30.50
June	231.50	—2.50	232.75-31.00
July	236.00	—5.00	263.00
Aug	234.00	—4.00	254.00
Sept	235.50	—4.50	237.50-35.00
Oct	237.00	—7.75	.....

Turnover: 1,788 (3,077) lots of 100 tonnes.

GOLD MARKETS

Gold fell $4½ an ounce from Tuesday's close in the London bullion market yesterday to finish at $492-493. Trading was rather quiet and thin for much of the day with gold showing a softer tendency despite the dollar's weakness. After opening at $490½-491½, it touched a low of $489½-490½ around the time of the New York opening. A little interest from the U.S. rescued gold from its low but the recovery was limited.

In Paris the 12½ kilo bar was fixed at FFr 110,005 per kilo ($497.86 per ounce) compared with FFr 110,100 ($496.73) in the morning and FFr 111,500 ($502.68) on Tuesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 38,390 per kilo ($493.00) against DM 38,970 ($498.00) and closed at $490-491 from $497-498 previously.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was $493.50 against $493.75.

In Zurich gold finished at $490-493 from $496-499.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
February	492.50-04.9	—5.750	498.30-01.7
March	495.50-96.5	—4.500	496.00
April	499.50-00.1	—0.800	508.90-96.5
May	503.00-04.0	—4.000	—
June	507.20-08.1	—5.850	507.70-07.5
July	511.00-12.0	—5.250	512.00
August	515.30-16.4	—5.550	—

Turnover: 700 (826) lots of 100 troy ounces.

	Feb. 9		Feb. 2	
Gold Bullion (fine ounce)				
Close	$492-493	(£318-318½)	$496¾-497¼	(£322¾-323½)
Opening	$490½-491½	(£312¼-310½)	$492½-493½	(£321¼-322)
Morning fixing	$492.25	(£319.105)	$496.50	(£328.507)
Afternoon fixing	$490.50	(£312.096)	$497.25	(£320.956)

Gold Coins Feb. 9					
Krugrnd	$508-509	(£320¼-380¾)	King Sov	$117-119	(£75½-75½)
½ Krg	$261¼-262¼	(£169½-170¼)	Victoria Sov	$117-112	(£75½-75½)
¼ Krg	$133½-134½	(£86½-27¼)	French 20s	$103¼-106½	(£67-68¼)
1/10 Krug	$54¼-55¼	(£35¼-35¼)	50 pesos Mex	$590-592	(£383-383½)
Mapleleaf	$506-507½	(£327¾-328¼)	100 Cor. Aust	$478-483	(£309½-313)
New Sov	$112½-117	(£75¼-75¼)	$20 Eagles	$595-605	(£385½-383)
½ New Sov	$69-71	(£44¾-46)			

EUROPEAN MARKETS

ROTTERDAM, Feb 9

Wheat—(U.S. $ per tonne): U.S. No. 2 Red Winter Feb 156, March 157, April 159, May 160: U.S. No. 3 Amber Durum April-May 169, June 169, July 171.60; U.S. No. 2 Northern Spring 14 per cent Feb 187, March 188.50, April-May 169, June 110: Canadian Western Red Spring April-May 188.50.

Maize—(U.S. $ per tonne): U.S. No. 3 Yellow spot 130, Feb 128.75, March 126.50, April-June 128, July-Sept 131.75, Oct Dec 130, Jan-March 136 sellers.

Soyabeans—(U.S. $ per tonne): U.S. 2 Yellow Gulfports Feb 233.60, March 235.50, April 239.20, May 240.50, June 244.50, July 247, Aug 249, Sept 249.75, Oct 247.80, Nov 247.80, Dec 252.25, Jan 258.75, Feb 260.70 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent Feb 208, March 210 traded afloat 209, Feb 210, March 211, April 213, April-Sept 217, Nov-March 230 sellers: Pellets Brazil Feb 224 traded: Feb 225 March 224, April 224, April-Sept 224 sellers.

PARIS, Feb 9

Cocoa—(FFr per 100 kg): March 1400-1430, May 1465-1470, July 1495 bid, Sept 1536-1550, Dec 1545-1555, March 1550 bid, May 1560 bid.

Sugar—(FFr per tonne): Mar 1475-1485, May 1545-1546, July 1590-1605, Aug 1640-1650, Oct 1670-1680, Nov 1670-1680, Dec 1720-1735, Mar 1815-1830.

BRITISH COMMODITY MARKETS

BASE METALS

BASE METAL PRICES were generally easier in quiet trading on the London Metal Exchange, reflecting the downturn in precious metals. Copper fell to £1,065 before rallying to close the late kerb at £1,070 while Lead was finally £301.25, after £299, and Zinc £454.25, after £451. Buffer stock support held Tin around £8,435 at the close

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grde	£	£	£	£
Cash	1033.5-4	—18	1038.40	—6
3 months	1066-.5	—17.2	1071.2	—8.25
Settlem't	1034	—18	—	.....
Cathodes				
Cash	1008-.5	—18	1014.6	—2
3 months	1039.46	—18	1044.5	—8.75
Settlem't	1008.5	—18	—	.....
U.S. Prod.	—	—	*74-74	.....

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1034.00, three months £1070.00, 69.00, 68.00, 69.00, 68.50, 68.00, 67.00, 66.50, 66.00. Cathodes: cash £1008.5. Kerb: Higher Grade, three months £1066, 65.5, 65.00, 66.00. Afternoon: Higher Grade, three months £1073.00, 72.50, 72.00, 71.50. Kerb: Higher Grade, three months 1070.00, 69.00, 70.00, 69.50, 69.00, 69.50, 70.00, 70.50. Turnover: 29,100 tonnes.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grde	£	£	£	£
Cash	8467-8	—8.5	8440.5	+12.5
3 months	8422-3	—5	8425-30	+8.5
Settlem't	8427	—10	—	.....
Standard				
Cash	8427-8	—8.5	8448.5	+12.5
3 months	8422.3	—5	8425-30	+5.5
Settlem't	8427	—5	—	.....
Straits E.	$29.15	.....	—	.....
New York				

Morning: Standard cash £8427, three months £8420, 22. Kerb: Standard three months £8425, 23, 20, 15, 20. Afternoon: Standard three months £8425, 21, 23, 25. Kerb: Standard three months £8426, 30, 35, 33. Turnover: 2,225 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	288.5-98	+.375	288.5-9.5	—.75
3 months	300.5-1	—.625	308-.5	—1
Settlem't	290	+.5	—	.....
U.S. Spot	—	.....	*21-28	.....

Morning: Three months £299.00, £300.00, 299.50, 300.00, 300.50, 299.00, 300.00, 299.50, 300.00, 300.50. Afternoon: Three months £301.00, 01.50, 01.00, 300.50. Kerb: Three months £301.00, 300.50, 01.00. Turnover: 8,875 tonnes.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	440-.5	—5.25	440-1	—4.5
3 months	453.5-.75	—4.62	455-.25	—5.57
Settlem't	440.5	—5.5	—	.....
Prim w'ts	—	.....	*50.75-58.7	.....

Morning: Cash £440.00, 41.00, 40.50, three months £454.00, 54.50, 54.00, 53.50. Kerb: Three months £453.50. Afternoon: Three months £455.00, 54.50, 55.00, 55.50. Kerb: Three months £455.00, 55.50, 55.00, 54.00. Turnover, 6,200 tonnes.

ALUMINIUM

Aluminm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	748-.5	—16.5	754.5-5.5	—5.5
3 months	773-.5	—16	779-80	—5.75

Morning: Three months £777.00, 78.00, 77.00, 76.50, 75.00, 74.00, 73.00, 72.00, 72.50, 73.00. Kerb: Three months £773.00, 73.50. Afternoon: Three months £776.00, 76.50, 77.00, 77.50, 77.00, 78.00, 79.00, 80.00, 79.00, 78.50, 79.00. Kerb: Three months £779.00, 80.00, 79.50, 80.00, 79.00. Turnover: 15,275 tonnes.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	2510-20	+7.5	2525-65	+15
3 months	2575-80	—3.5	2590-5	—2.5

* Cents per pound. † MS per kilo. † On previous unofficial close

Morning: Three months £2670, 65, 70, 80, 75. Kerb: Three months £2675. Afternoon: Three months 2680, 85, 95. Kerb: Three months £2690, 95, 99. Turnover: 438 tonnes.

SILVER

LME—Turnover: 47 (118) lots of 10,000 oz. Morning: Three months 920.0, 19.5, 19.0, 19.3, 16.0. Kerb: three months 918.0, 16.0, 15.0. Afternoon: three months 922.5. Kerb: three months 924.0.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unofficial	+ or —
Spot	894.55p	—19.5	900p	—14.5
3 months	917.75p	—20.2	922.1p	—15.4
6 months	940.45p	—20.5	—	.....
12 months	991.35p	—22.6	—	.....

Silver was fixed 12.55p an ounce lower for spot delivery in the London bullion market yesterday at 894.55p. U.S. equivalents of the fixing levels were: spot $13.83, down 27c; three-month $14.134, down 27.6c; six-month $14.461, down 28.2c; and 12-month $15.217, down 30.6c. The metal opened at 893-895p ($13.75-13.80) and closed at 895-897p ($13.84-13.89).

COCOA

After trading within a £25 range throughout most of the day futures attracted active profit-taking during an extended final call and closed at the lows. Producers declined to sell physical cocoa and only light second-hand business for nearby positions was recorded, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	1342-48	+8.5	1368-38
May	1358-59	—25.8	1381-27
July	1342-48	—38.0	1394-39
Sept	1352-53	—29.8	1404-52
Dec	1360-82	—24.5	1405-50
March	1370-76	—86.0	1420-75
May	1380-05	—17.0	1425-20

Sales: 9,143 (7,473) lots of 10 tonnes.

ICCO—Daily price for Feb 8: 90.19 (90.76). Indicator price for Feb 6, 88.60 (87.80).

COFFEE

Futures continued steadier on mixed buying during a quiet morning, reports Drexel Burnham Lambert. However, the gains were later surrendered in light volume.

COFFEE	Yest'day's Close	+ or —	Business Done
March	1695-85	—3.5	1710-95
May	1658-51	—3.8	1668-50
July	1571-78	—6.0	1585-72
Sept	1510-12	—4.8	1514-83
Nov	1458-88	+9.5	1460-50
January	1413-15	—0.5	1423-20
March	1398-92	—11.5	—

Sales: 2,182 (5,120) lots of 5 tonnes.

ICO Indicator price for Feb 2 (U.S. cents per pound): Como daily 1979 126.30 (125.28); 15-day average 125.09 (125.08).

GRAINS

Old crop wheat gained 20p up, old crop barley 10p up, and new crops unchanged. Nervous consumer and merchant buying pushed values to 50p higher where shipper selling was encountered. In the afternoon shippers took the market to the highs. New crop wheat found support on the close, reports Acli.

	WHEAT		BARLEY	
Mnth	Yesterd'ys close	+ or —	Yest'rd'ys close	+ or —
Mar	128.80	—0.55	117.05	+0.05
May	131.05	—0.50	112.26	—
July	133.03	—8.56	—	—
Sep	118.25	—0.30	109.35	+0.05
Nov	113.05	—0.65	112.60	—0.16
Jan	122.15	—0.25	115.60	—

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent Feb 132.50, March 132.75, April-May 121.50 transhipment: East Coast. English Feed fob March 128, April-June 132.50 East Coast sellers. Maize: French Feb 147 transhipment East Coast. S. African White Yellow March-April 97.50 seller. Barley: English Feed fob Feb 121.75, March 123, April-June 122.50 East Coast. Rest unquoted.

HGCA—Location ex-farm spot prices. Other milling wheat. E. Midlands 127.20. Feed barley. E. Midlands 115.70. N East 115.80. Scotland 116.50. The UK monetary coefficient for the week beginning Monday February 14 is expected to remain unchanged.

Business done—Wheat: March 129.00-8.70, May 131.15-0.70, July 133.10-3.00, Sept 116.85 only, Nov 116.50-8.75, Jan untraded. Sales: 186 lots of 100 tonnes. Barley: March 117.20-7.00, May 118.95-8.80, Sept 103.15 only, Nov 112.50 only, Jan untraded. Sales 68 lots of 100 tonnes.

POTATOES

February came under pressure as it expired. Early buying interest in April and May met increased selling as February expired and prices fell, reports Coley and Harper.

Month	Yesterd'y close	Previous close	Business Done
	£ per tonne		
Feb	58.50	83.90	84.00-58.00
April	78.18	72.60	81.50-78.20
May	25.50	86.20	88.00-84.50
Nov	67.50	67.40	68.00-67.00
Feb	76.80	76.80	77.00

Turnover: 632 (542) lots of 40 tonnes.

RUBBER

The London physical market opened slightly easier, steadied on keen physical interest and closed firm. Lewis and Peat reported a March fob price for No 1 RSS in Kuala Lumpur of 212.0 (206.5) cents a kg and SMR 20 188.0 (185.8).

No. 1 R.S.S.	Yesterday's close	Previous close	Business Done
	£ per tonne		
Mar	516-512	510-615	520-612
Apr	625-627	620-625	—
Apl-Jne	634-637	629-631	636-635
Jly-Sept	658-660	652-684	663-657
Oct-Dec	680-682	674-675	683-680
Jan-Mch	703-704	686-698	—
Apl-Jne	728-727	720-721	725
Jly-Sept	750-751	743-745	—
Oct-Dec	775-782	767-773	—

Sales: 289 (505) lots of 15 tonnes, 8 (nil) lots of 5 tonnes.

Physical closing prices (buyers) were spot 61.75p (61.25p); March 63.00p (62.75p), April 64.25p (64.00p).

SOYABEAN MEAL

The market opened 80p lower in dull trade and remained at these levels, reports T. G. Roddick.

	Yesterdy's Close	+ or —	Business Done
	£ per tonne		
Feb	145.50-47.0	—8.50	148.50
April	144.60-45.0	—8.75	144.80
June	145.20-45.5	—1.00	140.00-45.50
August	146.40-48.8	—1.00	147.60
October	149.10-49.7	—0.78	—
Dec	164.00-54.8	—1.55	156.00
Feb	155.00-57.8	—0.60	—

Sales. 51 (175) lots of 100 tonnes.

SOYABEAN OIL—Close (U.S. $ per tonne): Feb 393.00, 397.00, 397.00: April 408.00, 410.00, 408.50: June 421.00, 422.00, 422.50-22.00: Aug 429.00, 433.00, untraded: Oct 435.00, 443.00, untraded, Dec 442.00, 453.00, untraded: Feb 449.00, 453.00, untraded. Sales: 32 (51) lots of 25 tonnes.

SUGAR

LONDON DAILY SUGAR—Raw sugar £111.00 (£110.00) a tonne cif Feb.-March shipment. White sugar £137.00 (same)

Lack of fresh buying at the higher levels stopped an early rally. Prices fell back and traded in a narrow range. Egypt was reported to have bought five cargoes of whites at yesterday's tender at $229.33 a tonne for April arrival. Syria purchased two cargoes of whites at $230 for March-April shipment. The EEC delayed the award of export restitutions this week, reports C. Czarnikow.

No. 4 Contract	Yesterday close	Previous close	Business done
	£ per tonne		
March	115.00-15.10	116.65-16.75	118.00-12.75
May	116.05-16.25	117.00-17.10	119.00-16.25
Aug.	125.50-26.00	125.30-25.75	120.50-23.25
Oct.	131.75-32.25	131.50-31.75	132.75-31.00
Dec.	137.00-38.00	137.50-38.00	138.00
March	145.00-47.00	146.00-47.00	147.00
May.	147.00-52.00	147.00-52.80	—

Sales: 3,031 (4,360) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £406.90 (same) a tonne for home trade and £216.50 (£215.50) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for Feb 2: Daily price 6.45 (6.42); 15-day delivery 6.16 (6.13).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. March 544.0, 544.5, 545.0-543.0. May 564.0, 564.5, 565.0-563.0. July 575.0, 76.0, 76.0-572.0: Oct 560.0, 560.0, 561.0-558.0: Dec 563.5, 565.0, 564.5-560.5: March 571.0, 574.0, 577.0-570.0. May 578.5, 579.5, 579.5-578.0: July 587.0, 600.0, untraded. Sales, 203.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. March 354, 358, 358, May 370, 372, 373-371: Aug 392, 396, 395-393: Oct 403, 406, 407-406, Dec 411, 412, 412-411: Jan 414, 415, 416-413: March 417, 423, 422-420, May 424, 432, nil, Aug 435, 441, nil. Sales, 88.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 372 tonnes. Further useful weights were booked, with American and Middle Eastern supplies taking pride of place. Spinners were keen to keep orders on the move, and renewed interest was also shown in African qualities.

MEAT/FISH

SMITHFIELD—Pence per pound. Beef: Scottish Killed Sides 79.8 to 84.4. Veal: Dutch Hinds and Ends 135.0 to 138.5. Lamb: English Small 83.0 to 88.0, Medium 78.0 to 83.0, Heavy 74.0 to 79.0; Imported: New Zealand PL 49.0 to 50.0, PM 48.0 to 49.0, YL 47.5 to 48.5. Pork: English, under 100 lb 35.0 to 50.0, 100-120 lb 41.8 to 49.0, 120-160 lb 34.8 to 46.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 94.67p per kg lw (—0.18). GB—Sheep 187.61p per kg est dcw (+8.58). GB—Pigs 62.87p per kg lw (+0.24).

GRIMSBY FISH—Supply moderate, demand good. Prices at ship's side (unprocessed) per stone: Shell cod £6.00-7.60, codlings £4.00-4.60; large haddock £4.40-5.40; rockfish £3.30-4.50; reds £3.80-4.40; saithe £3.60.

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated. Imported Produce: Satsumas—Spania: 10 kg 3.20-3.80. Minneolas—Jaffa: 4.60-5.30, according to size. Oranges—Spania: Navels 3.80-5.60: Jaffa: Shamouti 40 5.10, 50 5.40, 60 5.75, 75 5.85, 88 5.95, 105 5.60, 123 5.50, 144 5.30, 166 5.18, Navels 88 5.95, 105 5.60, 123 5.40, 144 5.20, 168 5.00; Moroccan: Navels 3.40-5.20. Sevilles—Spanish: 40 lb 4.00-4.50. Lemons—Turkish: 80/150 3.50-4.00; Cypriot: 6 kg 2.80-3.80; Spania: tray 6 kg 26/50 1.80-2.40, Jaffa: 42/40 2.00-2.30. Grapefruit—Cypriot: 27/56 2.60-4.00; Jaffa: 32 4.75, 36 4.66, 40 5.00, 48 5.18, 55 4.30, 54 3.90, 75 3.75, 88 3.40, Ruby 3.50-5.50; U.S.: Ruby 8.60-8.00 according to size. Clementines—Spania. 5.00-6.00. Apples French: 18 kg Golden Delicious 5.00-6.50, Starkcrimson 4.00-5.50, Granny Smith 5.50-7.60; U.S. Red Delicious 9.50-12.50; Canadian: 18.50-12.50: Polish: Spartan 13 kg per pound 0.12-0.14. Pears—Cape: Williams Bon Chretien 33 lb 8.00-8.50: Dutch: Comice 14 lb 3.85-4.30, Conference 12 kg 5.60: Italian: Passacrassanna 12/14 lb, per pound 0.14-0.18. Peaches—Cape: 3.00-4.00. Nectarines—Chilean: single-layer trays 6.00: Cape: 5.00-5.50. Sharon Fruit—Israeli: 3.00-3.20. Grapes—Spanish: Almoria 4.40, Napoleon 5.00: Cape: Queen of the Vineyard 11 lb 8.50, Bien Donne 8.00, Sultana 10.50, Alphonse 11.50, Dan Ben Hannah 9.80: Brazilian: Italia 11 lb 10.00; U.S.: Red Emperor per pound 8.45-0.50. Strawberries—Israeli: 8 oz 8.80-0.58, Spanish 8 oz: U.S.: 12 oz 1.40-1.50. Plums—Cape: Gaviote 3.00-5.00, Wickson 3.00-4.50, Elderado 2.50-4.00, Ruby Nel 3.00-6.00, Harry Pickstone 2.50-5.50. Melons—Cape: white 6.50-7.00, yellow 7.50-8.00; Spanish: green 15 kg 14.00-15.00. Brazilian: yellow 10 kg 7.00-0.00. Pineapples—Ivory Coast: 20s 8.40, 12C 0.55, 12B 0.70, 6s 1.20; Ghanaian: each 1.00-1.40 according to size. Bananas—Colombian: 40-lb boxes 0.40-6.60. Avocados—U.S.: 6.50-7.00; Israeli: 3.60-4.00, Canary, 4.00-6.00. Pawpaws—Brazilian: 7.00. Kiwifruit—New Zealand: 2.00-8.50, U.S., 7.50-8.00 Mangoes—Brazilian, 6.00; Kenyan: 6.00; S. African: 5.50-6.50. Lychees—S. African: per pound 0.70-0.80. Asparagus—U.S.: per pound 2.40-2.80. Fennel—Italian: 20 lb 4.00-4.50. Sugar Peas—Moroccan: 7 lb 6.00; U.S., 10 lb 13.00. Calabrese—Italian: 10 lb 3.00-3.20. Endive—French: 6.00. Tomatoes—Spanish 8 kg 2.00-3.00: Canary 3.00-4.40. Lettuces—Dutch: 24s 4.80-5.80, 12s 3.20. Celery—Spanish: 5.00-6.00; Italian. 6.50-6.00; Israeli. 6.50. Artichokes—Egyptian: 24s 6.00, Spanish: 24s 6.00. Aubergines—Canary. 5 kg 5.50. Onions—Spanish: Grano 5.60-6.00. Capsicums—Canary: green 4.00-4.50, red 5.50-6.00; Israeli: red 6.50. Cabbages—Dutch; red 3.00-3.20, white 2.60-2.80. Courgettes—Kenyan: 6 lb 8.00; Spanish: 11 lb 4.00-4.50. Cucumbers—Canary: 5.00-6.00; Dutch. 6.50.

INDICES

FINANCIAL TIMES

Feb. 8	Feb. 7	M'th ago	Y'ar ago
255.28	255.84	244.70	248.53

(Base: July 1 1952=100)

REUTERS

Feb. 9	Feb. 8	M'th ago	Y'ar ago
1878.4	1675.8	1608.8	1610.7

(Base: September 12 1931=100)

MOODY'S

Feb. 8	Feb. 7	M'th ago	Y'ar ago
1065.8	1068.2	1038.9	1814.5

(December 31 1931=100)

DOW JONES

Dow Jones	Feb. 8	Feb. 7	Month ago	Year ago
Spot	148.04	146.28	141.81	130.08
Fut'rs	140.48	150.35	147.45	156.15

(Base: December 31 1974=100)

AMERICAN MARKETS

NEW YORK, February 9.

Precious metals came under selling pressure as markets failed to sustain recent rallies; the uncertainty of oil prices has also been a negative factor on gold prices because of its deflationary implications. Copper prices sold off on news that work was again resumed in Peru following recent disruptions; further pressure was provided by commission house profit-taking. Heating oil prices showed nominal strength on reports of continued skirmishes between Iran and Iraq and on attempts by smaller Opec members to maintain present price levels. Sugar prices displayed early strength on arbitrage buying; the rally attracted broad profit-taking leaving prices virtually unchanged. Cotton prices were locked into a very narrow range in light trading with local traders on both sides of the market. Coffee prices backed off sharply on commission house selling on reports that export quotas could be increased next year. Cocoa prices weakened as widespread liquidation offset the early arbitrage buying and strength in London; the market retreat was also triggered by a complete lack of any constructive news. Grains and soyabeans weakened early on local and speculative selling but rallied late in the day on a private report indicating substantial cutbacks in maize and soyabean planted acreage in 1983; maize finished with good gains while wheat and soyabeans finished mixed, reported Heinold.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
March	1845	1910	1835	1870
May	1887	1942	1875	1899
July	1907	1966	1895	1921
Sept	1918	1979	1900	1940
Dec	1935	1975	1935	1955
March	1960	2000	2000	1980
May	1985	—	—	2005

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
March	125.38	126.75	125.30	126.86
May	121.41	122.50	121.30	122.52
July	120.00	121.25	118.75	121.16
Sept	117.68	119.25	117.60	119.18
Dec	115.60	116.50	115.60	116.40
March	112.13	112.50	112.18	112.85
May	109.50	109.50	109.50	118.50
July	107.45	108.40	108.00	108.60

COPPER 25,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	73.18	—	—	73.90
March	73.55	74.55	73.50	74.60
April	74.30	—	—	75.20
May	75.05	75.90	75.00	75.50
July	76.45	77.40	76.40	77.25
Sept	77.60	78.60	77.50	78.35
Dec	79.30	80.10	79.25	80.00
Jan	79.90	80.30	80.20	80.60
March	81.05	81.85	81.30	81.70
May	82.20	83.00	82.60	82.75

COTTON 50,000 lb, cents/lb

	Latest	High	Low	Prev
March	64.95	65.60	64.95	65.32
May	66.28	66.87	66.20	66.66
July	67.35	67.95	67.31	67.77
Oct	66.66	66.75	66.40	66.74
Dec	66.55	67.15	66.56	67.07
March	68.25	68.48	66.25	68.37
May	69.38	69.38	68.38	69.22

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Feb	492.2	494.8	488.0	492.7
March	494.8	495.8	493.5	495.7
April	498.3	501.3	495.8	499.2
June	506.8	508.7	502.5	507.8
Aug	514.2	508.7	502.5	507.8
Oct	522.7	525.5	520.8	523.6
Dec	531.3	534.8	528.5	532.5
Feb	540.1	540.5	539.8	541.3
April	549.1	551.1	543.8	550.3
June	558.3	—	—	559.5
Aug	567.6	567.8	551.5	568.8
Oct	577.0	—	—	578.2
Dec	586.5	—	—	587.7

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
March	75.78	76.25	74.30	74.38
April	73.45	73.60	72.00	72.60
May	72.85	72.90	71.50	72.37
June	72.66	73.10	72.00	72.77
July	73.28	73.30	72.40	73.18
Aug	73.80	74.10	73.50	73.80
Sept	75.00	75.00	74.15	75.18
Oct	76.00	76.00	76.00	76.60
Nov	77.15	77.50	77.50	77.25
Dec	78.50	78.25	78.00	78.00

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
March	103.00	104.50	102.60	104.95
May	103.85	105.70	103.40	105.45
July	105.20	106.90	105.30	107.06
Sept	106.60	107.70	106.40	108.00
Nov	107.18	108.60	106.58	106.55
Jan	107.50	187.50	107.00	108.50
March	107.95	108.50	107.90	108.25
May	108.45	—	—	109.00
July	108.45	—	—	108.80

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Feb	456.0	461.0	461.0	463.8
March	458.0	458.0	455.0	465.0
April	461.5	468.8	455.0	468.5
July	465.5	472.0	460.0	472.5
Oct	472.0	477.0	467.0	479.0
Jan	478.0	483.5	480.0	486.0
April	485.0	492.0	485.5	493.8

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
March	175.6	176.4	175.3	176.2
May	178.5	179.7	178.3	179.4
July	182.0	183.2	181.5	182.8
Aug	182.5	184.1	182.5	184.0
Sept	183.3	185.2	183.3	184.6
Oct	184.5	185.1	184.5	186.0
Dec	188.6	190.2	188.5	190.0
Jan	191.0	192.5	191.0	192.5
March	185.0	195.0	194.0	195.5

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Feb	1382.5	1387.0	1387.0	1381.5
March	1389.0	1404.0	1370.0	1388.0
April	1400.5	1410.0	1385.0	1399.7
May	1411.8	1426.0	1395.0	1411.0
July	1434.8	1449.0	1415.0	1434.8
Sept	1457.2	1467.0	1440.0	1457.0
Dec	1492.8	1509.0	1473.0	1492.8
Jan	1504.8	—	—	1504.8
March	1528.3	1542.0	1508.0	1527.5
May	1551.6	1550.8	1550.0	1550.2

SUGAR WORLD "11" 112,00 lb, cents/lb

	Close	High	Low	Prev
March	6.71	6.82	6.69	6.71
May	6.92	7.04	6.91	6.98
July	7.23	7.40	7.22	7.30
Sept	7.56	7.74	7.54	7.64
Oct	7.82	7.96	7.82	7.90
March	2.84	8.95	8.80	8.90
May	9.08	6.16	6.14	8.12

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
Feb	62.20	62.55	61.87	61.87
April	62.37	62.47	61.85	61.90
June	63.55	62.60	63.10	63.30
Aug	62.42	62.55	62.10	62.12
Oct	60.65	60.85	60.50	60.50
Dec	61.77	61.95	61.55	61.65

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
Feb	58.72	58.75	57.80	58.18
April	53.45	53.50	52.75	52.30
June	56.18	56.20	54.40	54.80
July	54.92	55.10	54.25	54.70
Aug	53.27	53.90	53.00	53.22
Oct	49.25	49.50	49.00	49.50
Dec	49.25	48.45	48.90	49.40
Feb	46.50	48.50	48.50	48.55
April	47.00	47.25	46.60	47.18

MAIZE 5,000 bu min, cents/56 lb bushel

	Close	High	Low	Prev
March	268.8	268.0	264.2	264.6
May	276.6	277.4	273.0	273.2
July	283.6	284.6	280.2	280.4
Sept	284.4	285.0	281.0	281.8
Dec	287.0	287.2	283.8	284.8
March	296.2	297.0	293.4	293.5
May	304.0	304.0	301.2	301.0

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
Feb	78.47	78.95	78.90	78.30
March	78.22	76.65	76.60	77.87
May	76.35	78.55	76.60	78.02
July	77.12	77.35	75.90	77.37
Aug	74.55	75.20	73.66	75.37
Feb	66.95	66.05	65.10	58.15
March	64.40	64.75	64.40	64.02
May	66.50	66.50	58.50	67.00
July	66.50	66.50	66.50	67.00

SOYABEANS 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
March	588.8	589.8	584.8	586.6
May	601.4	604.6	598.6	601.0
July	612.4	617.0	611.2	614.2
Aug	617.4	618.0	610.4	617.8
Sept	618.0	621.4	618.0	620.0
Nov	629.0	631.0	626.4	630.2
Jan	642.4	643.4	638.4	642.4
March	654.4	655.4	652.4	655.4
May	665.4	—	—	666.4

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
March	17.09	17.20	17.01	17.11
May	17.49	17.59	17.40	17.51
July	17.90	17.97	17.78	17.91
Aug	18.15	17.15	18.00	18.10
Sept	18.27	15.27	18.15	18.23
Oct	18.35	18.45	18.35	18.40
Dec	18.65	18.80	18.65	18.65
Jan	15.00	18.00	18.66	12.90

WHEAT 5,000 bu min, cents/60lb-bushel

	Close	High	Low	Prev
March	339.2	340.4	335.6	339.6
May	347.6	349.4	345.2	348.2
July	355.0	355.4	351.4	354.2
Sept	365.0	365.0	361.4	363.6
Dec	380.4	380.4	377.4	378.6
March	393.0	393.0	390.0	392.4

SPOT PRICES—Chicago loose lard 16.00 (same) cents per pound. Handy and Harman bullion silver 1390.0 (1406.0) cents per troy ounce. New York tin 600.0-603.0 (596.0-603.0) cents per pound.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1982/83 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
101¼	95¼	Treasury 12pc 1983‡‡	100⅛xd	....	11.98	—
100⅝	92⅞	Treasury 9¼pc '83	99⅝	....	9.28	10.10
104⅝	96⅞	Exch. 13½pc '83	101⅜	+1/16	13.24	10.74
101¼	91⅞	Exch. 10pc 1983	99⅜	....	10.04	10.49
98¼	87⅞	Funding 5½pc '82-84‡‡	96¼	–⅛	5.68	9.21
103¼	91⅞	Exch. 11¼pc 1984	100⅝xd	+1/16	11.18	10.61
107¼	96¼	Exchequer 14pc 1984	103½	+⅛	13.53	10.96
94½	81⅛	Exch. 3pc 1984	93⅝	+⅛	3.20	0.05
105¼	91½	Treasury 12pc 1984	101½	+1/16	11.82	10.93
112	96¼	Treasury 15pc 1985	106¾xd	+⅛	14.05	11.21
112¼	89½	Exch. 12pc Cnv '85	102⅞	+⅛	11.66	10.44
91¼	73½	Treasury 3pc 1985	89½	+¼	3.35	0.15
105½	87½	Treasury 11½pc 1985	101⅜	+1/16	11.34	10.81
102	95½	Treas. 8¾pcCnv '85	98⅛	+⅛	0.92	9.57
107⅛	88⅝	Exch. 12¼pc 1985	102⅜	+1/16	11.98	11.12
106⅝	86⅛	Exch. 11¾pc '86	101⅞xd	+1/16	11.57	11.25
89½	69	Treasury 3pc 1986	86¼	+¼	3.46	7.66
107¼	86¼	Treasury 12pc '86	102⅞	+⅛	11.71	11.06
100	80⅛	Treasury 8¼pc '84-86‡‡	96	+¼	0.85	9.91
116¼	96⅞	Treas. 12¼pc '86 Cnv.	107¼	+¼	11.42	9.72
114	91⅞	Exch. 14pc 1986	107⅜	+¼	11.99	11.33
112	90	Exch. 13¼pc 1987	106⅞	+⅛	12.48	11.25
84	83½	Exchequer 2½pc 1987	83⅝	....	2.98	7.16
103½	95⅞	Exch. 10½pc 1987	98⅛	+⅛	10.71	11.07
93⅛	73⅞	Funding 6½pc '85-87‡‡	91¼	+⅛	7.12	9.03
05¼	64½	Treasury 3pc 1987	05¾	+⅛	3.52	6.92
109	05⅞	Treas. 12pc 1987	102⅞	+⅜	11.74	11.36
98	72½	Treasury 7¾pc '85-88‡‡	91¼	+⅛	8.48	10.02
		Five to Fifteen Years				
102¼	95½	Exch. 10½pc '88	98¼	+¼	10.93	11.51
81	60⅛	Transport 3pc '78-88	79½	+¼	3.79	7.81
99	91	Treas. 9½pc '88	94½	+⅛	10.29	11.36
107⅞	79¼	Treasury 11½pc 1989	96xd	+¼	11.69	11.89
85⅝	62½	Treasury 5pc '86-89	79¾	+¼	6.40	9.49
117¼	85⅞	Treasury 13pc 1990‡‡	105⅞	+⅛	12.39	11.92
112	85⅝	Exch. 12½pc 1990	106⅞	+⅛	12.25	12.06
98⅛	70⅛	Treasury 8¼pc '87-90‡‡	87¾	+½	9.54	10.97
110¼	77⅞	Treasury 11¾pc 1991	99⅞	....	11.88	11.96
[illegible]						

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked & Variable Rate

[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

98⅝	05¼	Aust. 6pc 1981-83	96⅞	....	6.27	11.62
83¼	57	N.Z. 7¼pc 1988-92	75	....	9.76	11.86
93½	74¼	Do. 7½pc '83-86	89¼	+¼	8.46	11.68
167	136	S. Rhod. 2½pc Non-Ass.	162	....	—	—
80	58	Do. 3½pc 80-85 Assd.	79	....	4.51	14.00
55	32	Do. 4½pc 87-92 Assd.	48xd	....	9.38	13.40
402	318	Zimbabwe Ann (£100pa)	375	....	—	18.23

LOANS
Public Board and Ind.

77½	57¼	Agric. Mt. 5pc '59-89	73¼	....	6.83	10.92
38	24¼	Met. Wtr. 3pc 'B'	31¼xd	....	9.48	12.07

LOANS—Continued

Financial

[illegible]

Building Societies

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

23⅞	994p	Tor. Dom. Bk. $1.	23⅞	+⅜	$2.00	—
14½	743p	¶Trans Can Pipe.	13⅞	–¼	$1.28	—

BANKS & HIRE PURCHASE

1982/83 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
282	182	ANZ $A1	218	....	Q28c	3.1	8.1	4.0
315	205	Alexanders D. £1	280	–3	20.0	—	10.7	—
£75½	£48	Algemene Fl.100	£71½	+½	vQ36%	1.8	8.8	6.3
102	75	Allied Irish	102	....	Q45.3%	9.0	9.6	3.5
164	92½	Ansbacher (H.) 5p	103	....	3.5	—	4.9	—
275	200	Bk. Ireland £1	270	+5	[illegible]	—	9.4	—
3½	2	Bank Leumi	2½	+½	—	—	—	—
•227	130	Bk. Leumi (UK) £1.	150	+10	10.15	—	9.9	—

BANKS & H.P.—Cont.

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

INSURANCES

LEISURE

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS-Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

Australians

Tins

Miscellaneous

For Burma see Southwest Res

High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
135	27	♥Colby Res Corp.	115	.....	—	—	—
450	210	Cons. Murch. 10c.	450	.....	1060c	1.9	‡
0	1½	‡‡Exolaura Gold	5	.....	—	—	—
155	55	♥Highwood Res	345	−5	—	—	—
£40½	£25	Homestake Mining $1	£38	+½	Q40c	—	0.6
495	160	Northgate C$1	450	−5	—	—	—
552	344	R.T.Z.	530	−10	16.0	1.6	4.3
£122	£84	Do. 9½%Cv.Ln. 95-2000	£119	+½	Q9½%	23.9	f8.1
30	11	♥Sabina Inds C$1	30	+2	—	—	—
17½	12½	‡Southwest Res 10p.	17½	.....	—	—	—
530	270	♥Tara Exptn $1	480	−5	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ♠ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Dealt in under Rule 163(3).
- ‡ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- ‡ Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¤ No par value.

B.Fr. Belgian Francs. Fr. French Francs. ¶¶ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

Albany Inv. 20p	48	.....
Bertrams	17#	.....
Bdg'wtr. Est. 50p	495	+5
Craig & Rose £1	£12½	.....
Finlay Pkg. 5p	31	.....
Graig Ship. £1	£21	−1½
Higsons Brew.	105	.....
Holt (Jos) 25p	880	.....
I.O.M. Stm. £1	97xd	−3
Pearce (C. H.)	£12	.....
Peel Hldgs.	162	.....

IRISH

Exch. 15pc 1983	£100	.....
Nat. 9¾% 84/89	£83	.....
Fin. 13% 97/02	£92¾	.....
Alliance Gas	115	.....
Arnott	188	.....
Carroll (P. J.)	82	.....
Concrete Prods.	48	−2
Heiton (Hldgs.)	13	−3
Ins. Corpn. Ireland	350	.....
Irish Ropes	26	.....
Jacob	80	.....
T.M.G.	90	.....
Unidare	43	.....

OPTIONS

3-month Call Rates

Industrials

Allied-Lyons	15
BOC Grp.	17
B.S.R.	6
Babcock	30
Barclays Bank	35
Beecham	35
Blue Circle	44
Boots	22
Bowaters	19
Brit. Aerospace	20
B.A.T.	50
Brown (J.)	4
Burton Ord.	24
Cadburys	11
Courtaulds	4
Debenhams	8½
Distillers	20
Dunlop	5½
Eagle Star	30
F.N.F.C.	4
Gen. Accident	30
Gen. Electric	24
Glaxo	90
Grand Met.	25
G.U.S. 'A'	30
Guardian	35
G.K.N.	15
Hawker Sidd.	38
House of Fraser	13
I.C.I.	24
"Imps"	10
I.C.L.	8
Ladbroke	16
Legal & Gen.	28
Lex Service	16
Lloyds Bank	35
"Lofs"	4
London Brick	11
Lucas Inds.	12
"Mams"	12
Mrks. & Spncr.	14
Midland Bank	30
N.E.I.	9
Nat. West. Bank	38
P & O Dfd.	14
Plessey	50
Racal Elect.	45
R.H.M.	6
Rank Org. Ord.	13
Reed Intnl.	26
Sears	9
T.I.	13
Tesco	8
Thorn EMI	38
Trust Houses	13
Turner & Newall	4
Unilever	65
Utd. Drapery	7
Vickers	12
Woolworth Hld.	15

Property

Brit. Land	7½
Cap. Counties	12
Land Secs.	26
MEPC	17
Peachey	14
Samuel Props.	10
Town & City	3

Oils

Brit. Petroleum	26
Burmah Oil	12
Charterhall	5
NCA	4
Premier	4
Shell	35
Tricentrol	22
Ultramar	42

Mines

Charter Cons.	20
Cons. Gold	40
Lonrho	8
Rio T. Zinc	42

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 35

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Further weakening of the dollar

The dollar continued to lose ground in fairly busy foreign exchange trading yesterday. Hopes that the Federal open market committee meeting will not lead to a tightening of U.S. interest rates and may even result in a reduction of the discount rate in the next few weeks encouraged further selling of the dollar against all currencies except a very weak Swiss franc.

Sterling was fairly steady overall and sentiment in London's financial markets improved on the pound's climb against the dollar.

DOLLAR — Trade - weighted index (Bank of England) 119.9 against 122.7 six months ago. The dollar is much stronger compared with levels at the start of the year as the expected fall in U.S. interest rates has failed to materialise. High Federal funding requirements have also kept rates firm although a softer trend has developed recently on speculation about an easing of monetary policy and signs of an economic recovery in the U.S.

The dollar fell to DM 2.43 (DM 2.4410 on Tuesday) against the D-mark; to FFr 6.8925 (FFr 6.9225) against the French franc; to Y236.25 (Y237.30) in terms of the Japanese yen: but improved to SwFr 2.0225 (SwFr 2.0165) against the Swiss franc.

STERLING — Trading range against the dollar in 1982-83 is 1.9265 to 1.5150. January average 1.5735. Trade-weighted index 81.2 against 81.2 at noon, 81.3 at the opening, 81.2 at the previous close, and 90.7 six months ago. The pound is showing signs of stability after a period of extreme weakness caused by fears of lower world oil prices and uncertainty about an early general election. Sterling is recovering slowly from an all-time low against the dollar helped by the recent softening of the U.S. currency. Sterling opened at $1.5400-1.5410, and touched a low of $1.5350-1.5360 in early trading, before rising steadily to a peak of $1.5460-1.5470 in the afternoon, and closing at $1.5415-1.5425, a rise of 45 points on the day. The pound eased to DM 3.75 (DM 3.7550); FFr 10.6275 (FFr 10.6425); but improved to SwFr 3.12 (SwFr 3.1025); and was unchanged at Y365.

D-MARK — Trading range against the dollar in 1982-83 is 2.5940 to 2.2410. January average 2.3909. Trade weighted index 128.2 against 124.3 six months ago. The D-mark has shown a weaker tendency in the run up to a March general election. Favourable trade figures and fading hopes of lower German interest rates started to reverse the trend but the D-mark in common with other currencies has suffered from the problems of a strong dollar.

The D-mark continued to attract support on increased speculation over a possible Conservative win in the general election. The dollar slid to DM 2.4247 at the fixing down from DM 2.4323 amid fears of a discount rate cut while sterling was only marginally changed at DM 3.7420 compared with DM 3.7460.

BELGIAN FRANC — Trading range against the dollar in 1982-1983 is 50.21 to 38.12. January average 46.89. Trade weighted index 93.9 against 94.7 six months ago. The Belgian franc has fallen against the stronger EMS members over the past year and rumours of a realignment are heard from time to time. It is now very weak against the Dutch guilder. The Belgian central bank spent the equivalent of BFr 8.1bn defending the franc last week according to figures released yesterday. This is up from the previous week's figure of BFr 2.5bn. At yesterday's fixing in Brussels the Belgian unit was just within its intervention limits against the Dutch guilder and Danish krone. The guilder rose to BFr 17.8277½ from BFr 17.8267½ and compared with an upper limit of BFr 17.8285 and the krone was fixed at BFr 5.5840 from BFr 5.5800 and a ceiling of BFr 5.586. Elsewhere the dollar slipped to BFr 47.6737½ from BFr 47.745 while the D-mark improved to BFr 19.6640 from BFr 19.6250.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU February 9	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9704	45.0775	+0.24	+1.51	±1.5501
Danish Krone ...	8.23400	8.08466	−1.81	−0.54	±1.6430
German D-Mark	2.33379	2.29404	−1.70	−0.43	±1.0888
French Franc ...	6.61387	6.50411	−1.66	−0.39	±1.3940
Dutch Guilder ...	2.57971	2.53105	−1.89	−0.62	±1.5004
Irish Punt.........	0.691011	0.690552	−0.07	+1.20	±1.6691
Italian Lira	1350.27	1318.96	−2.24	−1.53	±4.1369

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Feb. 9	£	$		£ Note Rates
Argentina Peso..	95,005-95,975	55,420-53,470	Austria............	20.10-29.40
Australia Dollar..	1.5880-1.5900	1.0300-1.0310	Belgium............	79.00-77.00
Brazil Cruzeiro	430.46-431.40	278.70-280.09	Denmark...........	13.10-13.96
Finland Markka..	8.2790-8.2973	3.0735-3.5733	France.............	10.56-10.66
Greek Drachma..	130.357-129.594	90.00-93.30	Germany...........	3.73-3.77
Hong Kong Dollar	10.20¾-10.22¾	6.6190-6.6230	Italy................	2130-2173
Iran Rial..........	100.00*	64.50*	Japan..............	300-368
Kuwait Dinar (KD)	0.449-0.450	0.29113-0.29130	Netherlands.......	4.11-4.13
Luxembourg Fr.	73.50-73.60	47.60-47.71	Norway.............	10.88-10.99

CURRENCY MOVEMENTS

Feb. 9	Bank of England Index	Morgan Guaranty Change %
Sterling..............	81.2	−39.0
U.S. dollar...........	118.9	+10.3
Canadian dollar.....	90.2	−17.2
Austrian schilling...	180.0	+20.8
Belgian franc........	90.9	−1.0
Danish kroner.......	84.1	−8.6
Deutsche mark.......	128.2	+54.4
Swiss franc..........	131.3	+106.7
Guilder...............	118.2	+27.1

Based on trade weighted changes from Washington agreement December 1971. Bank of England Index (base average 1975=100).

CURRENCY RATES

Feb. 9	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling........	—	0.706067	0.612259
U.S. $	8½	1.09074	0.945021
Canadian $.....	9.01	*	1.15819
Austria Sch	4¾	18.3709	16.1032
Belgian F ...	11½	51.0007	45.0773
Danish Kr ...	10	9.32057	8.08468
D mark ...	5	2.64472	2.29404
Guilder ...	4½	2.81718	2.53105
French F..	9½	7.48337	6.50411

*CS/SDR rate for Feb 8: 33434.

THE POUND SPOT AND FORWARD

Feb 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Portugal	141.00-144.00	141.00-143.00	590-1445c dis	−65.96	850-2410dis	−45.91
Spain	198.90-189.90	199.25-189.55	136-205c dis	−10.23	330-465 dis	−7.97
Italy	2151-2162	2154-2156	13-19 lire dis	−9.07	56-61 dis	−10.86
Norway	10.90-10.65	10.92½-10.93¼	1¼-2¾ore dis	−2.47	7¼-8¾ dis	−3.04
France	10.59-10.64	10.62½-10.63¼	3¾-5¾c dis	−5.36	25-29 dis	−9.91
Sweden	11.41-11.47	11.43½-11.44½	¾-1¾ore dis	−0.98	1½-2½ dis	−0.72
Japan	363-367	364½-365½	1.35-1.15y pm	4.11	0.75-3.55 pm	4.00
Austria	26.20-26.35	26.27-26.32	11½-9½gro pm	4.65	33¼-28¾ pm	4.72
Switz.	3.09-3.12½	3.11½-3.12½	2¼-1¾c pm	7.69	9½-5½ pm	7.53

Belgian rate is for convertible francs. Financial franc 76.40-76.50. Six-month forward dollar 0.91-0.86c pm. 12-month 1.25-1.10c pm.

THE DOLLAR SPOT AND FORWARD

Feb 9	Day's spread	Close	One month	% p.a.	Three months	% p.a.
Portugal	91.50-94.00	91.50-93.50	400-950c dis	−87.57	600-1800dis	−47.57
Spain	129.10-129.55	129.13-129.25	120-170c dis	−13.44	320-380dis	−10.81
Italy	1394½-1402	1397½-1398½	10½-12 lira dis	−6.57	41-43 dis	−12.03
Norway	7.0870-7.1000	7.0900-7.1000	2-3ore dis	−4.23	7½-8½ dis	−4.51
France	6.8700-6.9000	6.8900-6.8960	3.80-4.30c dis	−7.07	19½-20½dis	−11.63
Sweden	7.3970-7.4310	7.4150-7.4250	1½-2ore dis	−2.83	3.90-4.40dis	−2.24
Japan	236.70-237.50	236.20-236.30	0.47-0.40y pm	2.21	1.53-1.43 pm	2.50
Austria	17.01-17.07	17.03-17.04	4.30-3.50gro pm	2.74	14.75-12.25pm	3.16
Switz.	2.0035-2.0240	2.0220-2.0230	0.99-0.94c pm	6.72	3.09-3.04 pm	6.06

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 49.53-49.63.

EXCHANGE CROSS RATES

Feb. 9	Pound St'rling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.542	3.750	365.0	10.698	3.120	4.133	2155.	1.891	73.65
U.S. Dollar	0.648	1.	2.432	236.7	6.892	2.023	2.680	1398.	1.226	47.70
Deutschemark	0.267	0.411	1.	97.53	2.834	0.832	1.102	574.7	0.504	19.61
Japanese Yen 1,000	2.740	4.225	10.27	1000.	29.12	8.548	11.32	5904.	5.179	201.5
French Franc 10	0.941	1.451	3.526	343.4	10.	2.936	3.888	2028.	1.778	69.21
Swiss Franc	0.321	0.494	1.202	117.0	3.406	1.	1.323	690.7	0.606	23.57
Dutch Guilder	0.242	0.373	0.907	88.32	2.572	0.753	1.	521.5	0.457	17.80
Italian Lira 1,000	0.464	0.716	1.740	169.4	4.932	1.448	1.918	1000.	0.877	34.15
Canadian Dollar	0.528	0.816	1.984	193.1	5.622	1.660	2.186	1140.	1.	38.91
Belgian Franc 100	1.360	2.097	5.099	496.3	14.45	4.242	5.610	2930.	2.570	100.

FINANCIAL FUTURES

Short £ better

A stronger pound and hopes of lower interest rates encouraged a more bullish tone to trading in the London International Financial Futures Exchange yesterday. Prices rose in the short sterling and gilts sector as sterling continued to improve against the U.S. dollar. Sterling values were also underpinned by a softer trend in the cash market while cash gilts were over £1 better. March short sterling opened at 89.27 and touched a best level of 89.53 before slipping back to finish at 89.46. March volume totalled 659 lots with a good volume also seen in the June contract where 547 lots were traded. However a similar roll over was not seen in the gilt sector where an encouraging 995 lots were traded in March

Euro-dollars traded in a narrow range as the market tried to assess the outcome of the Federal open market committee meeting and the possibility of a cut in the U.S. discount rate. However an early cut as a likely outcome was not a view held by everyone in the market and for the time being there seemed to be more encouragement derived from a growing feeling that U.S. rates had peaked for now. The March price opened at 90.57 against Tuesday's close of 90.62 and traded in a very narrow 9 point spread before finishing at 90.58. Good demand kept values around the 90.60 level in the morning and a high of 90.65 was reached but not sustained as Chicago came in a little lower than expected. Dealers noted a widening in the spread between the two markets after a number of recent unexpected movements in Chicago.

LONDON

THREE-MONTH EURODOLLAR
$1 points of 100%

	Close	High	Low	Prev
March	90.58	90.65	90.56	90.62
June	90.19	90.29	90.15	90.21
Sept	89.90	90.00	89.87	89.91
Dec	89.74	89.75	89.74	89.65
March	89.55	—	—	89.13

Volume 1,361 (1,431)
Previous day's open int. 3,214 (3,178)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
March	72-25	72-30	72-10	72-28
June	72-03	72-07	71-27	72-05
Sept	71-19	71-23	71-12	71-20
Dec	71-07	71-11	71-00	71-08
March	70-28	70-31	70-24	70-30
June	70-21	70-23	70-17	70-23
Sept	70-15	70-17	70-14	70-17

MONEY MARKETS

Sentiment continues to improve

UK clearing bank base lending rate 11 per cent (since January 12 and 13)

Interest rates continued to ease on the London money market yesterday, encouraged by sterling's better performance against the dollar and the good Central Government Borrowing Requirement figures published yesterday afternoon. These followed a very satisfactory set of money supply statistics issued the previous day, and underpinned the steady improvement in market sentiment of late. Assistance from the authorities totalled only £561m, which was not enough to take out the full shortage, particularly after the distortion caused by applications for the Associated British Ports share offer.

The Bank of England forecast a shortage of £650m, but this was amended to £700m. Major factors draining liquidity were: bills maturing in official hands, and a market take-up of Treasury bills amounting to £148m; the unwinding of repurchase agreements of £340m; Exchequer transactions of £120m; and a rise in the note circulation of £50m.

Morning assistance of £387m mainly consisted of £307m bills purchased for resale on March 8 at rates of 11-11$\frac{1}{32}$ per cent. Outright purchases of £80m were made up of £4m bank bills in band 1 (up to 14 days maturity) at 11 per cent; £73m bank bills in band 2 (15-33 days) at 11 per cent; and £3m bank bills in band 3 (34-63 days) at 11 per cent.

Another £174m bills were bought in the afternoon, including £12m for resale on March 8 at 11 per cent. The remaining £162m bought outright were £18m bank bills in band 1 at 11 per cent; £47m bank bills in band 2 at 11 per cent; and £97m bank bills in band 3 at 11 per cent.

In Paris interest rates were firmer, with call money rising to 12$\frac{11}{16}$ per cent from 12$\frac{9}{16}$ per cent, and one-month to 12¾ per cent from 12$\frac{11}{16}$ per cent.

In Frankfurt overnight money was steady at 5.95 per cent, but one-month fell to 5.625 per cent from 5.75 per cent, and three-month to 5.925 per cent from 5.95 per cent.

In Amsterdam rates were little changed. Call money was unchanged at 5$\frac{1}{16}$ per cent, while period rates showed small mixed changes. Quota facilities are expected to be sufficient to meet the market's liquidity requirements during the present period ending on February 17.

LONDON MONEY RATES

Feb. 9 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight.........	—	11-25	—	—	—	11¼	11-11¼	—	—	—
2 days notice .	—	—	11	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	11¼	—	—	—	—
7 days notice ..	—	11⅛-11⅜	11-11⅛	—	—	11¼	11-11⅛	—	—	—
One month.......	11$\frac{1}{16}$-11⅛	11$\frac{1}{16}$-11$\frac{3}{16}$	11⅛-11¼	11¾-11⅝	11¼	11¼	10⅞-11	11$\frac{1}{32}$	11-11$\frac{1}{32}$	11$\frac{5}{16}$
Two months ...	11$\frac{1}{16}$-11$\frac{1}{16}$	11⅛-11¼	11⅛-11¼	11⅝-11⅞	11¼	11⅛	10¾-10⅞	10$\frac{31}{32}$-11$\frac{1}{32}$	10$\frac{15}{16}$-10$\frac{31}{32}$	11$\frac{3}{16}$
Three months.	11⅛-10$\frac{15}{16}$	11$\frac{1}{16}$-11⅛	11-11⅛	11⅝-11¼	11⅛	—	10⅝-10⅞	10$\frac{15}{16}$-11$\frac{1}{32}$	10$\frac{13}{16}$-10$\frac{27}{32}$	11$\frac{1}{16}$
Six months......	10⅞-10¾	10⅞-11$\frac{1}{16}$	10⅞-11⅞	10⅞-10⅝	10⅞-11	—	—	—	10$\frac{9}{16}$	11$\frac{1}{16}$
Nine months ...	10$\frac{13}{16}$-10$\frac{11}{16}$	10$\frac{15}{16}$-11	—	11¼-10⅞	10⅞	—	—	—	—	—
One year	10$\frac{13}{16}$-10$\frac{11}{16}$	10$\frac{15}{16}$-11	10⅞	11⅛-10¾	10⅞	—	—	—	—	—
Two years	—	—	11⅛-11¼	—	—	—	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period January 6 to February 1 1983 (inclusive) 11.327 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 11¾-11½ per cent; four years 11⅞-11⅝ per cent; five years 11½-11¼ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rate for four month bank bills 10$\frac{25}{32}$ per cent; four months trade bills 11$\frac{5}{16}$ per cent.

Approximate selling rate for one month Treasury bills 10$\frac{29}{32}$-10$\frac{31}{32}$ per cent; two months 10¾-10$\frac{25}{32}$ per cent and three month 10$\frac{11}{16}$-10$\frac{23}{32}$ per cent. Approximate selling rate for one month bank bills 10$\frac{29}{32}$-11 per cent; two months 10⅞ per cent and three months 10¾-10$\frac{25}{32}$ per cent; one month trade bills 11⅛ per cent; two months 11 per cent; three months 11$\frac{1}{16}$ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11 per cent from February 1 1983. London and Scottish Clearing Bank Rates for lending 11 per cent. London Deposit Rates for sums at seven days notice 8 per cent.

Treasury Bills: Average tender rate of discount 10.6756 per cent. Certificates of Tax Deposit (Series 6): Deposits of £100,000 and over held under one month 11¼ per cent; one-six-month 11¼ per cent; six-12-month 11 per cent. Under £100,000 10¾ per cent from February 8. Deposits held under Series 3-5 11 per cent. The rate for all deposits withdrawn for cash 8½ per cent.

INTEREST RATES

EURO-CURRENCY INTEREST RATES (Market closing rates)

Feb. 9	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling..........	11¼-11½	11¼-11⅛	11¼-11⅜	11-11⅛	10$\frac{13}{16}$-11$\frac{1}{16}$	10⅞-11
U.S. Dollar......	8½-8¾	8⅜-8⅛	8⅞-9⅛	9⅛-9⅜	9½-8¾	9⅞-10⅛
Can. Dollar......	7½-8½	7½-8½	9¼-9½	9$\frac{5}{16}$-9½	9¾-10⅛	10⅜-10⅝

FT LONDON INTERBANK FIXING

MONEY RATES

Authorised Units—continued

Insurances—continued

Offshore and Overseas—continued

Perpetual U.T. Managers (Jersey) Ltd
P.O. Box 459, St Helier, Jersey. 0534 74517
Offshore Gwth — $1.00 .... 2.0

Schroder Mngt Services (Jersey) Ltd.
P.O. Box 105, St Helier, Jersey. 0534 27551

Schroder Money Funds Ltd

Sterling	£13.3440	+0.0268	—
U.S. Dollar	US$25.1070	+0.0413	—
Deutschmark	DM50.1108	+0.0468	—
Swiss Franc	SF50.0247	+0.0096	—

Daily dealings.
For other Rothschild Offshore Funds see Offshore and Overseas section.

PUBLIC NOTICES

SLOUGH BOROUGH COUNCIL
£700,000 Bills issued 9.2.83 due 11.5.83 at 10$\frac{23}{32}$%. Total applications £4,200,000. Outstanding Bills £700,000.

ST. HELENS BOROUGH COUNCIL BILLS
Issued 9.2.83 £2m @ 10$\frac{23}{32}$% due 10.5.83. Applications £13m. Total outstanding £8.5m.